

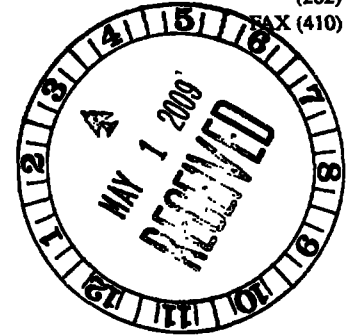
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**LAW OFFICES OF
LOUIS E. GITOMER**

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(202) 466-6532
FAX (410) 332-0885

May 1, 2009



Honorable Anne K. Quinlan
Acting Secretary
Surface Transportation Board
395 E Street, S.W.
Washington, D. C. 20423

RE: Docket No. AB-55 (Sub-No. 694X), *CSX Transportation, Inc.*–
Abandonment Exemption–in McMinn County, TN

Dear Acting Secretary Quinlan:

Enclosed are the original and 10 copies of a Petition for Exemption for abandonment in the above-entitled proceeding and a filing fee of \$6,300. Also enclosed is a computer diskette in containing the Petition in Word and pdf format.

Please time and date stamp the additional copy of this letter and the Petition and return them with our messenger. Thank you for your assistance.

If you have any questions please call or email me.

Sincerely yours

A handwritten signature in black ink, appearing to be 'L. Gitomer'.

Louis E. Gitomer
Attorney for: CSX Transportation, Inc.

Enclosures

ENTERED
Office of Proceedings
MAY 1 - 2009
Part of
Public Record

FILED
MAY 1 - 2009
SURFACE
TRANSPORTATION BOARD

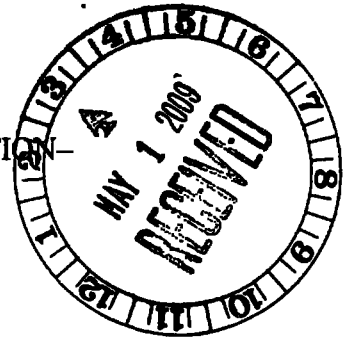
FEE RECEIVED
MAY 1 - 2009
SURFACE
TRANSPORTATION BOARD

BEFORE THE
SURFACE TRANSPORTATION BOARD

Docket No. AB-55 (Sub-No. 694X)

CSX TRANSPORTATION, INC.—ABANDONMENT EXEMPTION—
IN MCMINN COUNTY, TN

PETITION FOR EXEMPTION



Steven C. Armbrust, Esq.
CSX Transportation, Inc.
500 Water Street
Jacksonville, FL 32202
(904) 359-1229

Louis E. Gitomer, Esq.
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Lou_Gitomer@verizon.net

Attorneys for: CSX TRANSPORTATION,
INC.

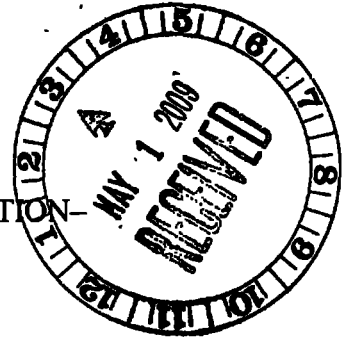
Dated: May 1, 2009

BEFORE THE
SURFACE TRANSPORTATION BOARD

Docket No. AB-55 (Sub-No. 694X)

CSX TRANSPORTATION, INC.– ABANDONMENT EXEMPTION–
IN McMINN COUNTY, TN

PETITION FOR EXEMPTION



CSX Transportation, Inc. (“CSXT”) petitions the Surface Transportation Board (“Board”) to exempt, under 49 U.S.C. §10502, CSXT’s abandonment of a 6.4-mile rail line on its Southern Region, Huntington-West Division, KD Subdivision between Englewood, milepost OKW 327, and Athens, milepost OKW 333.4, in McMinn County, TN (the “Line”), from the prior approval requirements of 49 U.S.C. §10903.¹

Abandonment will allow CSXT to avoid costs that would be incurred by the continued ownership of the Line. CSXT has discussed abandonment with the shippers on the Line and does not expect opposition. CSXT is willing to negotiate interim trail use/rail banking for the Line.

PROPOSED TRANSACTION

CSXT proposes to abandon a 6.4-mile rail line on its Southern Region, Huntington-West Division, KD Subdivision between Englewood, milepost OKW 327, and Athens, milepost OKW 333.4, in McMinn County, TN. The Line traverses Zip Codes 37329 and 37303. A map of the Line is attached as Exhibit A (a color version is in Exhibit J). Exhibit B contains the Environmental Report and Exhibit C contains the Historic Report. The draft Federal Register Notice is Exhibit D, and copies of the newspaper publication and the required certification are in

Exhibit E. Exhibit F contains the verified statement of Ms. Ellen M. Preslar, Manager Regulatory Costing (referred to as Preslar VS), and Exhibit G contains the verified statement of Mr. Richard J. Spatafore, Division Engineer (referred to as "Spatafore VS"). An article from The Daily Post Athenian expressing local interest in converting the Line to a trail is in Exhibit H. The certificate of service is in Exhibit I.

Based on information in CSXT's possession, the Line does not contain federally granted right-of-way. Any documentation in CSXT's possession concerning title will be made available to those requesting it. The Athens Station, milepost OKW 334, FSAC 712045908, OPSL 18830 is on the Line.

BACKGROUND

The Line, known as the Athens Branch, is a stub end branch line to the west of CSXT's KD Subdivision. Prior to the June 27, 2008 embargo of the Line, there were three shippers on the Line: Mayfield Dairy, 806 East Madison Avenue, Athens, TN 37303; Seaton Iron & Metal, 132 CR 370, Athens, TN 37303; and Timberland Harvesters, PO Box 1489, Athens, TN 37371 (collectively the "Shippers").

CSXT discussed abandonment of the Line with the Shippers and does not expect opposition. However, in order to keep the Shippers fully apprised of the status of the Line, CSXT has served a copy of this Petition on the Shippers. To advise the Shippers of the status of this proceeding before the Board, CSXT respectfully requests the Board to add the Shippers to the service list in order to receive all notices and decisions served by the Board.

Due to track conditions, CSXT embargoed the Line on June 27, 2008 in embargo number CSXT 908. The Line incurred an avoidable loss in 2007, the last full year of operation, of

¹ The Huntington-West Division was previously known as the Appalachian Division.

\$9,940 (Preslar VS, Exhibit 1). Because of the poor condition of the Line, it requires rehabilitation expenditures of \$702,516 to be returned to Federal Railroad Administration (“FRA”) Class 1 standards (Spatafore VS). See also Exhibit H.

Upon receipt of abandonment authority, CSXT plans to salvage the track and materials on the Line, except for the ballast, which CSXT plans to leave in place. Some of the track and materials will be sold as scrap and the remainder will be used by CSXT. CSXT plans to sell the real estate. CSXT is willing to negotiate the sale of the line for interim trail use/rail banking.

A. Revenue generated by the Line is marginal at best.

In 2007, the last full year of operations, CSXT incurred an avoidable loss of \$9,940 from operating the Line. Based on reduced traffic and substantially reduced off-branch costs, CSXT estimates that it will not incur an avoidable loss in the Forecast Year or the Subsidy Year, but that the net revenues will be \$23,047 and \$19,640, respectively. These marginal revenues will result in an estimated forecast year loss from operations¹ of \$8,192 and an estimated subsidy year loss from operations of \$695,237. See Preslar VS, Exhibit 1.²

B. CSXT will incur costs to rehabilitate the Line to FRA Class 1.

The Line is 6.4 miles long and has been embargoed since June 27, 2008, when it deteriorated to less than FRA excepted status. Mr. Spatafore, the Division Engineer for the Line has inspected the Line twice. Based upon those inspections, Mr. Spatafore has concluded that CSXT would have to spend \$702,516 to rehabilitate the Line. Spatafore VS.

² Ms. Preslar’s work papers have not been included in the Petition because of the volume of the work papers and because CSXT does not anticipate opposition to the petition. However, if there is opposition to the petition or if the Board requests them, CSXT will provide the work papers upon request.

C. Opportunity costs.

Ms. Preslar has calculated the opportunity costs of the Line to be \$14,855 in the forecast year and \$14,877 in the subsidy year in accordance with proper Board precedent.³ Preslar VS.

D. Summary.

Continued ownership and operation of the Line by CSXT will create a burden on CSXT and interstate commerce. In the last full year of operations, CSXT incurred an avoidable loss of \$9,940. The Line is embargoed and in need of rehabilitation costing \$702,516. Losses from the last full year of operation are not enough to provide the funds required to rehabilitate the Line. Nor are the marginal earnings projected in the forecast year or subsidy year. There is insufficient traffic on the Line to justify the expenditure required to rehabilitate the Line to FRA Class 1 standards. At this time, CSXT estimates that it will be able to sell the real estate for about \$139,520 and will be able to reuse or sell the track and materials, which are valued at about \$100,843. CSXT will consider selling the real estate for the development of a trail.

There should be no harm to rail shippers. There has been no service since July 2008. CSXT has met with the Shippers and is of the opinion that the Shippers have arranged for alternate transportation service and will not oppose the proposed abandonment. To keep the Shippers apprised of the status of the Line, CSXT has served this Petition on them and asked the Board to include them on the service list. CSXT contends that in balancing the harm to itself and interstate commerce against the absence of harm to the Shippers and local interests, the balance clearly favors abandonment.

³ See *Abandonment Regulations—Costing*, 3 I.C.C.2d 340 (1987).

ARGUMENT SUPPORTING THE ABANDONMENT

CSXT seeks an exemption under 49 U.S.C. §10502 from the applicable requirements of 49 U.S.C. §10903 in order to abandon the Line.

Under 49 U.S.C. §10502, the Board must exempt a transaction from regulation when it finds that:

(1) regulation is not necessary to carry out the rail transportation policy of 49 U.S.C. §10101; and

(2) either:

(a) the transaction is of limited scope, or

(b) regulation is not necessary to protect shippers from the abuse of market power.

The legislative history of Section 10502 reveals a clear Congressional intent that the Board should liberally use its exemption authority to free certain transactions from the administrative and financial costs associated with continued regulation. In enacting the Staggers Rail Act of 1980, Pub. L. No. 96-488, 94 Stat. 1895, Congress encouraged the Board's predecessor agency to liberally use the expanded exemption authority under former Section 10505:

The policy underlying this provision is that while Congress has been able to identify broad areas of commerce where reduced regulation is clearly warranted, the Commission is more capable through the administrative process of examining specific regulatory provisions and practices not yet addressed by Congress to determine where they can be deregulated consistent with the policies of Congress. The conferees expect that, consistent with the policies of this Act, the Commission will pursue partial and complete exemption from remaining regulation.

H.R. Rep No. 1430, 96 the Cong. 2d Sess. 105 (1980). See also *Exemption From Regulation--Boxcar Traffic*, 367 I.C.C. 424, 428 (1983), vacated and remanded on other grounds, *Brae Corp.*

v. *United States*, 740 F.2d 1023 (D.C. Cir 1984). Congress reaffirmed this policy in the conference report accompanying the ICC Termination Act of 1995, Pub. L. No. 104-88, 109 Stat. 803, which re-enacted the rail exemption provision as Section 10502. H.R. Rep. No. 422, 104th Cong., 1st Sess. 168-69 (1995).

A. The Application of 49 U.S.C. §10903 Is Not Necessary to Carry Out the Rail Transportation Policy

Detailed scrutiny of this transaction is not necessary to carry out the rail transportation policy. An exemption would minimize the unnecessary expense associated with the preparation and filing of a formal abandonment application, expedite regulatory decisions and reduce regulatory barriers to exit. 49 U.S.C. §10101 (2) and (7).

Granting this exemption fosters sound economic conditions and encourages efficient management by permitting the rationalization of an unnecessary rail line. 49 U.S.C. §10101 (3), (5) and (9). “An exemption would also foster sound economic conditions and encourage efficient management by relieving [the railroad] of the out-of-pocket expenses and significant opportunity costs associated with retaining the underutilized line [49 U.S.C. 10101(5) and (9)].”⁴

CSXT projects that its earnings from continuing to operate the Line in the Forecast Year and the Subsidy Year would be marginal and insufficient to cover the cost of rehabilitation. The facts and circumstances of this proposed abandonment warrant the Board concluding that the cost of rehabilitation should be considered a “one time up-front cost.”⁵ There are three shippers who used the Line prior to the embargo. The Shippers have found alternative service during the

⁴ *Georgia Southwestern Railroad, Inc.—Abandonment and Discontinuance Exemption—in Harris and Meriwether Counties, GA*, STB Docket No. AB-1000 (Sub-No. 1X) (STB served December 10, 2007) at 3.

⁵ *See Burlington N.R.R.—Abandonment—In Crawford and Labette Counties, KS*, ICC Docket No. AB-6 (Sub-No.300) (ICC served Feb. 9, 1989), at 6.

period that the Line has been embargoed. CSXT is not the only supplier of transportation services to the Shippers, and if CSXT were to expend over \$700,000 to rehabilitate and reopen the Line, the Shippers could choose at any time to decrease or stop altogether their use of rail service over the line. CSXT would then be left to cover the remaining (unamortized) portion of the rehabilitation costs with no compensating revenue from the Line, unless it had received specific guarantees from the Shippers protecting it from such a risk, which it has not.⁶

Other aspects of the rail transportation policy are not adversely affected. For example, competition and the continuation of a sound rail transportation system are not affected.

B. This Transaction Is Of Limited Scope

The proposed transaction is of limited scope. CSXT seeks to abandon a 6.4-mile line in one county in Tennessee.

C. This Transaction Will Not Result In An Abuse Of Market Power.

CSXT is abandoning the Line. There were three active shippers located on the Line prior to the embargo. Since the Line was embargoed, the shippers have found alternatives to CSXT's rail service.

ENVIRONMENTAL REPORT

An Environmental Report is in Exhibit B.

HISTORIC REPORT

A Historic Report is in Exhibit C.

FEDERAL REGISTER NOTICE

A draft Federal Register notice is attached hereto as Exhibit D.

⁶ *CSX Transportation, Inc.—Discontinuance—at Memphis, in Shelby County, TN*, STB Docket No. AB-55 (Sub No. 618) (STB served May 15, 2003), at 5.

LABOR PROTECTION

The interests of railroad employees of CSXT who may be adversely affected by the proposed abandonment will be adequately protected by the labor protective conditions in *Oregon Short Line R. Co.--Abandonment--Goshen*, 360 I.C.C. 91 (1979).

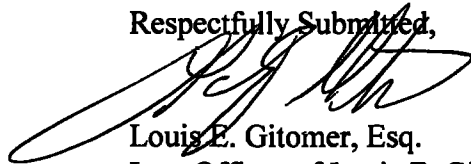
CONCLUSION

Application of the regulatory requirements and procedures of 49 U.S.C. §10903 to the abandonment of the Line proposed by CSXT is not required to carry out the rail transportation policy set forth in 49 U.S.C. §10101, as previously shown. Nor is Board regulation required to protect shippers from the abuse of market power. This abandonment is also of limited scope.

Accordingly, CSXT respectfully urges the Board to grant an exemption for the proposed abandonment of the Line.

Steven C. Armbrust, Esq.
CSX Transportation, Inc.
500 Water Street
Jacksonville, FL 32202
(904) 359-1229

Respectfully Submitted,



Louis E. Gitomer, Esq.
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600 Baltimore Avenue, Suite 301
Towson, MD 21204
(202) 466-6532
Lou_Gitomer@verizon.net

Attorneys for: CSX TRANSPORTATION,
INC.

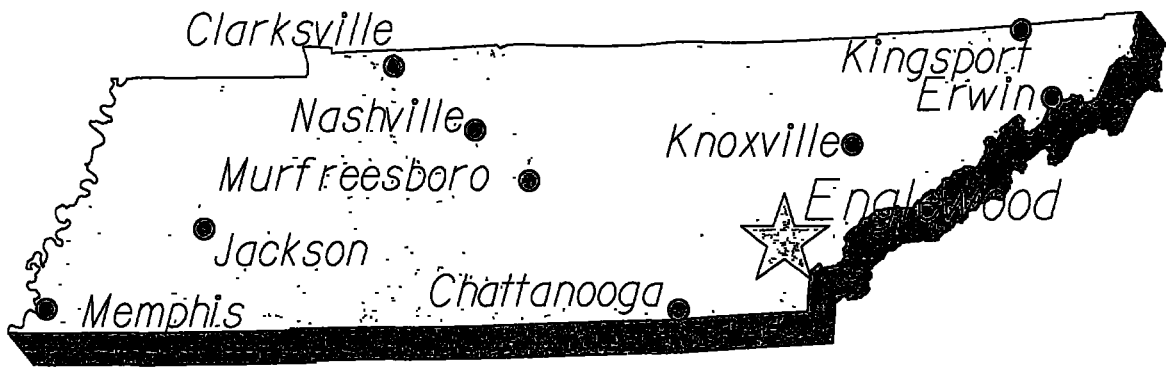
Dated: May 1, 2009

EXHIBIT A-MAP

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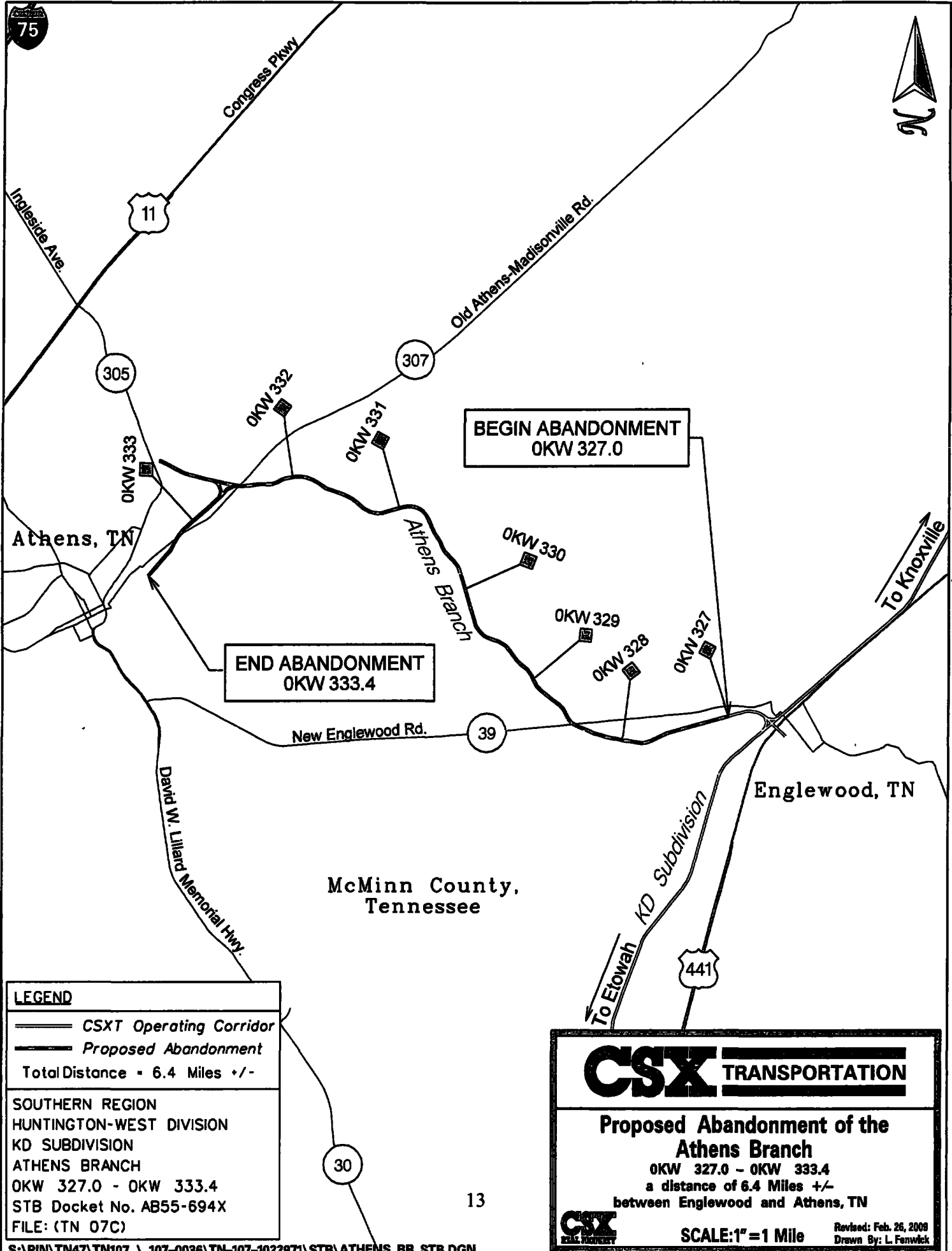
Englewood, TN



AREA MAP

- Proposed Abandonment -
Athens Branch

Milepost 0KW 327.0 to 0KW 333.4 - 6.4 miles
Between Englewood and Athens, McMinn County, TN




LEGEND


———— CSXT Operating Corridor
———— Proposed Abandonment

Total Distance = 6.4 Miles +/-

SOUTHERN REGION
HUNTINGTON-WEST DIVISION
KD SUBDIVISION
ATHENS BRANCH
OKW 327.0 - OKW 333.4
STB Docket No. AB55-694X
FILE: (TN 07C)

**TRANSPORTATION**

**Proposed Abandonment of the
Athens Branch**
OKW 327.0 - OKW 333.4
a distance of 6.4 Miles +/-
between Englewood and Athens, TN

**SCALE: 1" = 1 Mile**

Revised: Feb. 26, 2009
Drawn By: L. Fenwick

EXHIBIT B—ENVIRONMENTAL REPORT

CERTIFICATE OF SERVICE OF ENVIRONMENTAL REPORT

Pursuant to the requirements of 49 C.F.R. §1105.7(c) and .11, the undersigned hereby certifies that a copy of the Environmental Report in Docket No. AB-55 (Sub-No. 694X) was mailed via first class mail on April 1, 2009, to the following parties:

Mr. Russell Thress
McMinn County Planner
1107 South Congress Parkway
Athens, TN 37303

US Fish & Wildlife Service
Region 4
Century Center
1875 Century Boulevard
Atlanta, GA 30345

Honorable Raymond Roach
Mayor
Town of Englewood
PO Box 150
Englewood, TN 37329

US Army Corps of Engineers
Nashville District
P.O. Box 1070
Nashville, TN 37202-1070

Mr. Anthony Casteel, Director
Athens Community Development
815 North Jackson Street
Athens, TN 37303

USDA – NRCS
Athens Branch Service Center
320 Congress Parkway North
Athens, TN 37303-1612

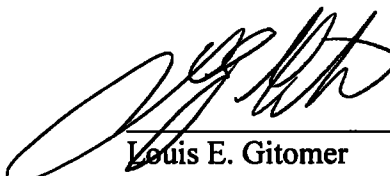
US EPA – Region 4
Sam Nunn Atlanta Federal Center
61 Forsyth Street, SW
Atlanta, GA 30303-3104

National Park Service
Regional Director
100 Alabama Street, SW
1924 Building
Atlanta, GA 30303

Tennessee Department of
Environment & Conservation
401 Church Street
1st Floor, L&C Annex
Nashville, TN 37243-0435

Ms. Linda Caldwell
Tennessee Overhill
PO Box 143
Etowah, TN 37331

National Geodetic Service (NOAA)
NGS.InfoCenter@noaa.gov (via email)



Louis E. Gitomer
May 1, 2009

ENVIRONMENTAL REPORT

CSX TRANSPORTATION, INC. ATHENS, MCMINN COUNTY, TENNESSEE DOCKET AB-55 (SUB-NO. 694X)

The following information is provided in accordance with 49 C.F.R. Section 1105.7:

(1) PROPOSED ACTION AND ALTERNATIVES

Describe the proposed action, including commodities transported, the planned disposition (if any) of any rail line and other structures that may be involved, and any possible changes in current operations or maintenance practices. Also describe any reasonable alternatives to the proposed action. Include a readable, detailed map and drawings clearly delineating the project.

CSXT proposes to abandon approximately 6.4 miles of its rail line from Railroad Milepost OKW 327 (near Englewood) to Railroad Milepost OKW 333.4 (near Athens), known as the Athens Branch in McMinn County, Tennessee.

The purpose of the proposed abandonment is to permit CSXT to avoid the maintenance and rehabilitation expenses on the line. The revenue generated by the on-line shippers is insufficient to cover the costs of operation and the rehabilitation and maintenance costs. In addition, CSXT is incurring opportunity costs from continuing to operate the line.

During the past several years, miscellaneous commodities have been handled; however, the principal commodity shipped to this line has been timber.

The current traffic being delivered can be trans-loaded to truck. There are ten truck companies serving the Athens area.

Two maps which delineate the proposed project are attached. (See Attachments 1 and 2)

Further attached is a distribution list of all parties who have received a copy of this report. (See Attachment 3)

(2) TRANSPORTATION SYSTEM

Describe the effects of the proposed action on regional or local transportation systems and patterns. Estimate the amount of traffic (passenger or freight) that will be diverted to other transportation systems or modes as a result of the proposed action.

There will be no substantial effect on existing regional or local transportation systems or patterns. Current traffic has already been moving via truck since June of 2008. Traffic diverted to truck has been minimal.

(3) LAND USE

- (i) Based on consultation with local and/or regional planning agencies and/or a review of the official planning documents prepared by such agencies, state whether the proposed action is consistent with existing land use plans. Describe any inconsistencies.**

Applicant has not received a response to its March 2, 2009 inquiry to the McMinn County Planning Commission requesting information regarding this statement. (See Attachment 4)

Applicant received an Environmental Report Response Form dated April 8, 2009 from Mayor Raymond Roach of the Town of Englewood stating *"No Environmental Impact."* Applicant also received a response dated March 23, 2009 from Mayor Raymond Roach stating *"The Town of Englewood is aware of CSX's plans to abandon a portion of its rail line in the town limits."* (See Attachment 5 and 5A)

Applicant has not received a response to its March 2, 2009 inquiry to the Mr. Anthony Casteel of the Athens County Planning Commission requesting information regarding this statement. (See Attachment 6)

Based on the fact that the line has generated minimal traffic over the last several years, Applicant believes the proposed action is not inconsistent with local land use plans.

- (ii) Based on consultation with the U. S. Soil Conservation Service, state the effect of the proposed action on any prime agricultural land.**

Applicant received a response dated March 10, 2009 from the U.S. Department of Agriculture, Natural Resources Conservation Service in Knoxville, Tennessee stating *"This project will not result in the conversion of Prime Farmland as defined in the Farmland Protection Policy Act."* (See Attachment 7)

- (iii) **If the action affects land or water uses within a designated coastal zone, include the coastal zone information required by 1105.9.**

The State of Tennessee does not have a Coastal Zone Management System.

- (iv) **If the proposed action is an abandonment, state whether or not the right of way is suitable for alternative public use under 49 U.S.C. 10906 and explain why.**

The properties proposed to be abandoned may be suitable for other public purposes, but may be subject to reversionary interests that may affect transfer of title for other than rail purposes.

(4) ENERGY

- (i) **Describe the effect of the proposed action on transportation of energy resources.**

The proposed action will have no effect on the movement and/or recovery of energy resources.

- (ii) **Describe the effect of the proposed action on recyclable commodities.**

The proposed action will have limited to no effect on the movement and/or recovery of recyclable commodities.

- (iii) **State whether the proposed action will result in an increase or decrease in overall energy efficiency and explain why.**

The proposed action will not result in an increase or decrease in overall energy efficiency.

- (iv) **If the proposed action will cause diversions from rail to motor carriage of more than: (A) 1,000 rail carloads a year; or (B) an average of 50 rail carloads per mile per year for any part of the affected line, quantify the resulting net change in energy consumption and show the data and methodology used to arrive at the figure given.**

The above thresholds will not be exceeded.

(5) AIR

- (i) **If the proposed action will result in either: (A) an increase in rail traffic of at least 100% (measured in gross ton miles annually) or an increase of at least eight trains a day on any segment of rail line affected by the**

proposal, or (B) an increase in rail yard activity of at least 100% (measured by carload activity), or (C) an average increase in truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on any affected road segment, quantify the anticipated effect on air emissions.

The above thresholds will not be exceeded.

- (ii) If the proposed action affects a class I or non-attainment area under the Clean Air Act; and will it result in either: (A) an increase in rail traffic of at least 50% (measured in gross ton miles annually) or an increase of at least three trains a day on any segment of rail line, or (B) an increase in rail yard activity of at least 20% (measured by carload activity), or (C) an average increase in truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on a given road segment, then state whether any expected increased emissions are within the parameters established by the State Implementation Plan.

The above thresholds will not be exceeded.

- (iii) If transportation of ozone depleting materials (such as nitrogen oxide and freon) is contemplated, identify: the materials and quantity, the frequency of service; safety practices (including any speed restriction); the applicant's safety record (to the extent available) on derailments, accidents and spills; contingency plans to deal with accidental spills; and the likelihood of an accidental release of ozone depleting materials in the event of a collision or derailment.

Not applicable.

(6) NOISE

If any of the thresholds identified in item (5)(i) of this section are surpassed, state whether the proposed action will cause: (i) an incremental increase in noise levels of three decibels Ldn or more, or (ii) an increase to a noise level of 65 decibels Ldn or greater. If so, identify sensitive receptors (e.g., schools, libraries, hospitals, residences, retirement communities, and nursing homes) in the project area, and quantify the noise increase for these receptors if the thresholds are surpassed.

The above thresholds will not be exceeded.

(7) SAFETY

- (i) Describe any effects of the proposed action on public health and safety (including vehicle delay time at railroad grade crossings).

Applicant believes that the abandonment will result in improvement to public safety by the elimination of 9 public, at-grade road crossings and 5 private, at-grade road crossings.

- (ii) If hazardous materials are expected to be transported, identify: the materials and quantity; the frequency of service; whether chemicals are being transported that, if mixed, could react to form more hazardous compounds; safety practices (including any speed restrictions); the applicant's safety record (to the extent available) on derailments, accidents and hazardous spills; the contingency plans to deal with accidental spills; and the likelihood of an accidental release of hazardous materials.

Not applicable.

- (iii) If there are any known hazardous waste sites or sites where there have been known hazardous material spills on the right of way, identify the location of those sites and the types of hazardous materials involved.

Applicant's records do not indicate any known hazardous material spills or hazardous waste sites.

(8) BIOLOGICAL RESOURCES

- (i) Based on consultation with the U. S. Fish and Wildlife Service, state whether the proposed action is likely to adversely affect endangered or threatened species or areas designated as a critical habitat, and if so, describe the effects.

Applicant received a response dated April 10, 2009 from the U.S. Fish and Wildlife Service in Cookeville, Tennessee stating "*No significant adverse impacts to wetlands or federally listed endangered species are anticipated from this proposal.*" (See Attachment 8)

Based upon Applicant's intention to remove only the track material and the upper layer of ballast, we do not believe that any federally endangered or threatened species will be negatively affected or critical habitats modified if the line is abandoned.

- (ii) State whether wildlife sanctuaries or refuges, National or State parks or forests will be affected, and describe any effects.

Based upon Applicant's review of the area, the line is not within any wildlife sanctuaries or refuges, National or State parks or forests.

(9) WATER

- (i) **Based on consultation with State water quality officials, state whether the proposed action is consistent with applicable Federal, State or local water quality standards. Describe any inconsistencies.**

Applicant has not received a response to its March 2, 2009 inquiry to the Tennessee Department of Environment & Conservation in Nashville, Tennessee requesting information regarding this statement. (See Attachment 9)

Applicant does not contemplate any action known to be inconsistent with federal, state and/or local water quality standards. Any necessary permits or applications will be obtained as well as compliance with conditions or procedures required by regulatory agencies.

- (ii) **Based on consultation with the U. S. Army Corps of Engineers, state whether permits under Section 404 of the Clean Water Act (33 U.S.C. 1344) are required for the proposed action and whether any designated wetlands or 100-year flood plains will be affected. Describe the effects.**

Applicant received a response dated March 23, 2009 from the U.S. Army Corps of Engineers in Nashville, Tennessee stating *"Based on the information provided, it does not appear that the railway abandonment would impact waters of the U.S., including wetlands, with deposition of fill or dredged material. Therefore, a permit would not be required."* (See Attachment 10)

Upon receiving abandonment authority, removal of material will be accomplished by use of the right of way for access, along with existing public and private crossings, and no new access roads are contemplated. Applicant does not intend to disturb any of the underlying road-bed or perform any activities that would cause sedimentation or erosion of the soil, and do not anticipate any dredging or use of fill in the removal of the track material. The crossties and/or other debris will be transported away from the rail line and will not be discarded along the right of way nor be placed or left in streams or wetlands, or along the banks of such waterways. Also, during track removal, appropriate measures will be implemented to prevent or control spills from fuels, lubricants or any other pollutant materials from entering any waterways. Based upon this course of action, Applicant does not believe a permit under Section 404 of the Clean Water Act will be required.

- (iii) **State whether permits under Section 402 of the Clean Water Act (33 U.S.C. 1342) are required for the proposed action. (Applicants should contact the U. S. Environmental Protection Agency or the state environmental protection or equivalent agency if they are unsure whether such permits are required).**

Applicant has not received a response to its March 2, 2009 inquiry to the U.S. EPA, Region 4 in Atlanta, Georgia requesting information regarding this statement. (See Attachment 11)

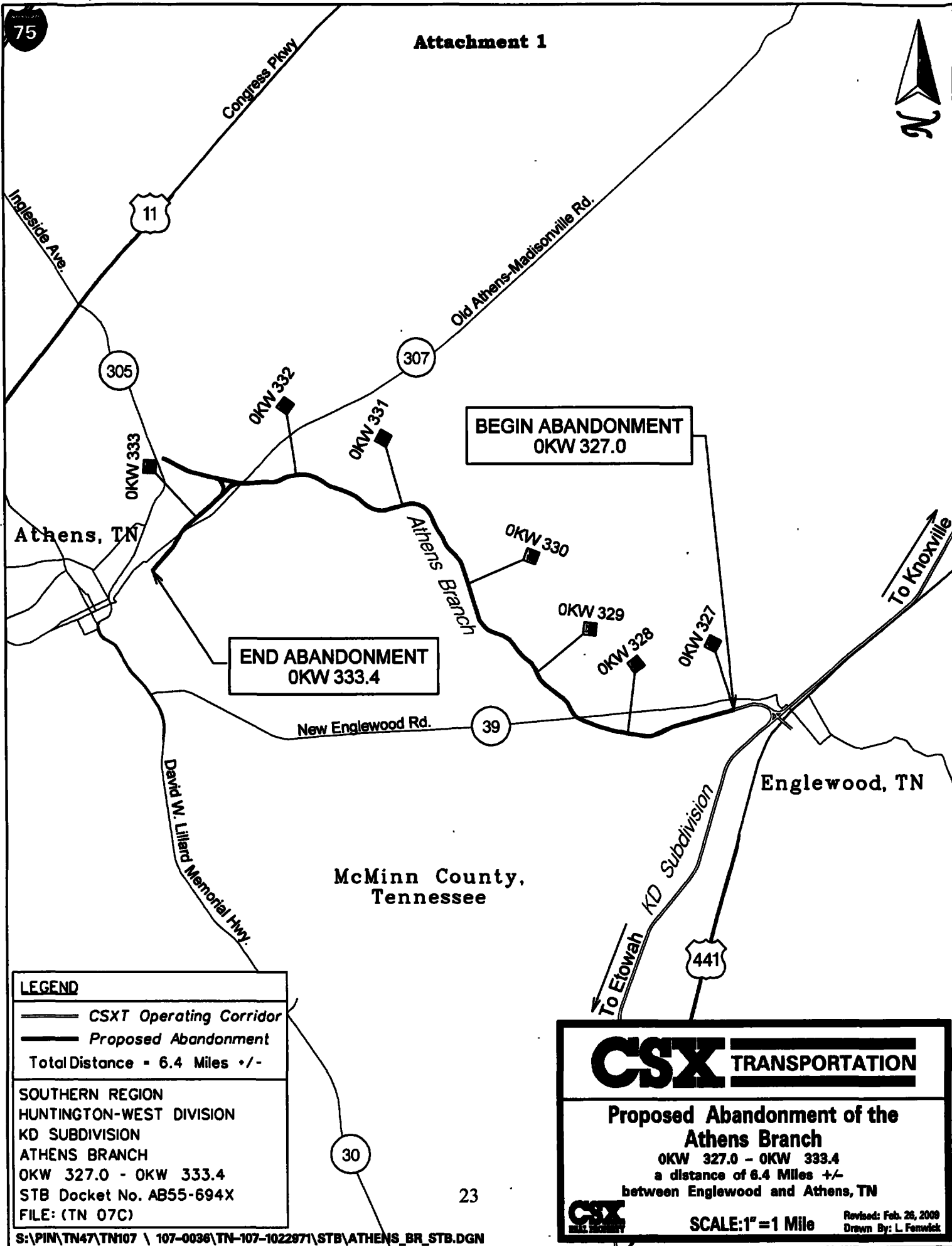
Based upon the course of action described in Section 9 (ii), Applicant does not believe a permit under Section 402 of the Clean Water Act will be required.

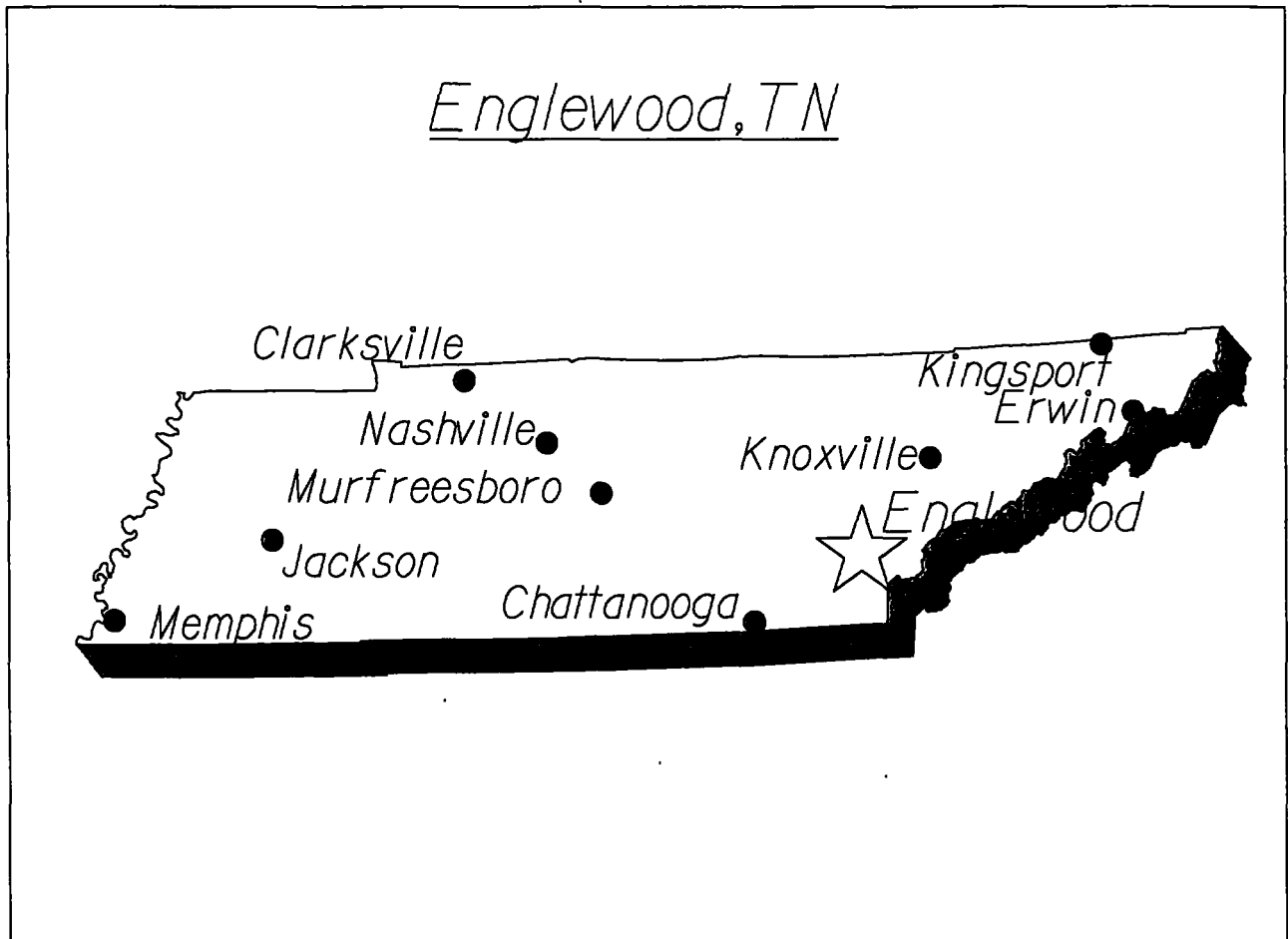
10. MITIGATION

Describe any actions that are proposed to mitigate adverse environmental impacts, indicating why the proposed mitigation is appropriate.

Applicant does not believe there will be any adverse environmental impacts in the project area as a result of this abandonment. However, Applicant will comply with reasonable State and Federal regulations and obtain any necessary permits required.

Attachment 1





AREA MAP

- Proposed Abandonment -
Athens Branch

Milepost 0KW 327.0 to 0KW 333.4 - 6.4 miles
Between Englewood and Athens, McMinn County, TN

Attachment 3

**CSXT Abandonment External Distribution List
Athens Branch, Cities of Athens and Englewood
McMinn County, Tennessee
AB 55 Sub No. 694X**

Mr. Russell Thress
McMinn County Planner
1107 South Congress Pkwy
Athens, TN 37303

Mr. Raymond Roach, Mayor
Town of Englewood
PO Box 150
Englewood, TN 37329

Mr. Anthony Casteel, Director
Athens Community Development
815 North Jackson Street
Athens, TN 37303

US EPA – Region 4
Sam Nunn Atlanta Federal Center
61 Forsyth Street, SW
Atlanta, GA 30303-3104

Tennessee Department of Environment
& Conservation
401 Church Street
1st Floor, L&C Annex
Nashville, TN 37243-0435

National Geodetic Service (NOAA) at
'NGS.InfoCenter@noaa.gov' (via email)

US Fish & Wildlife Service
Region 4
Century Center
1875 Century Blvd
Atlanta, GA 30345

US Army Corps of Engineers
Nashville District
P.O. Box 1070
Nashville, TN 37202-1070

USDA – NRCS
Athens Branch Service Center
320 Congress Parkway North
Athens, TN 37303-1612

National Park Service
Regional Director
National Park Service
100 Alabama St. SW
1924 Building
Atlanta, GA 30303

Ms. Linda Caldwell
Tennessee Overhill
PO Box 143
Etowah, TN 37331

Attachment 4



Dave Geraci
Manager - Network Rationalization

500 Water Street - J200
Jacksonville, FL 32202
Phone: (904) 633-1088
FAX: (904) 245-2226
E-Mail: Dave_Geraci@CSX.com

March 2, 2009

Mr. Russell Thress
McMinn County Planner
1107 South Congress Pkwy
Athens, TN 37303

Dear Mr. Thress:

Please be advised that CSX Transportation, Inc. is considering abandonment of a portion of its rail line from Railroad Milepost OKW 327 (near Englewood) to the end of track at Railroad Milepost OKW 333.4 (near Athens), a distance of 6.4 miles known as the Athens Branch, McMinn County, Tennessee, as depicted on the attached map.

This action requires Surface Transportation Board approval and Federal Regulations 49 C.F.R. 1105.7(3)(i) require that CSXT develop a response to the following statement:

"Based on consultation with local and/or regional planning agencies and/or a review of the official planning documents prepared by such agencies, state whether the proposed action is consistent with existing land use plans. Describe any inconsistencies."

CSXT would appreciate your advice as to the existence of a long-range comprehensive planning map for McMinn County and the line's relationship to such planning.

As further information, CSXT will provide a preliminary environmental report in the coming weeks which will outline the scope of the proposed salvage activity and include any comments received from your office.

Further enclosed, please find a distribution list of all parties that have been copied of the proposed action.

Sincerely,

A handwritten signature in black ink, appearing to read "Dave Geraci", with a long horizontal line extending to the right.

Attachment

CSXT Environmental Report Response Form

STB Docket Number AB 55 Sub No. 694X

Attachment 5

Petition for Exemption from Railroad Milepost OKW 327 (near Englewood) to the end of track at Railroad Milepost OKW 333.4 (near Athens), a distance of 6.4 miles known as the Athens Branch, McMinn County, Tennessee.

Agency response (check one):

☒ No Environmental Impact

☐ Environmental Impact as follows (or attached):

Date:

4-8-09

Signature:

Raymond Roach

Name:

Title:

MAYOR

Attachment 5A

TOWN OF ENGLEWOOD

P.O. BOX 150

ENGLEWOOD, TENNESSEE 37329

(423) 887-7224 or 887-7232

Commissioners:

Amos Brock

Tony Hawn

Neil Moses

Todd Brown

Mayor:

Raymond Roach

Town Manager

Robert Cass

City Recorder

Sondra Denton

03-23-09

Dave Garaci
Manager-Network Rationalization
CSX Transportation
500 Water Street J 200
Jacksonville, Fl. 32202

Dear Mr. Garaci:

The Town of Englewood is aware of CSX's plans to abandon a portion of its rail line in the town limits. Our concern is what will happen to the crossings at three locations that are not going to be abandoned. The locations are Carroll Street, Sunset Street and Zion Hill Road. As you can tell by the photos, these crossings are not in very good condition. I receive calls from residents often regarding the poor shape of these crossings. They state that the crossings are very rough to drive across.

Also, there is property which CSX owns along the rail lines which is not maintained that could use more attention. We would like to come to a mutual agreement on the upkeep of the crossings.

The Town of Englewood looks forward to working with CSX on all matters which both parties are involved in.

Sincerely,


Raymond Roach
Mayor



CARROLL ST CROSSING 326.77 347-738 P

ALL CARROLL ST 326.22 347-238-P

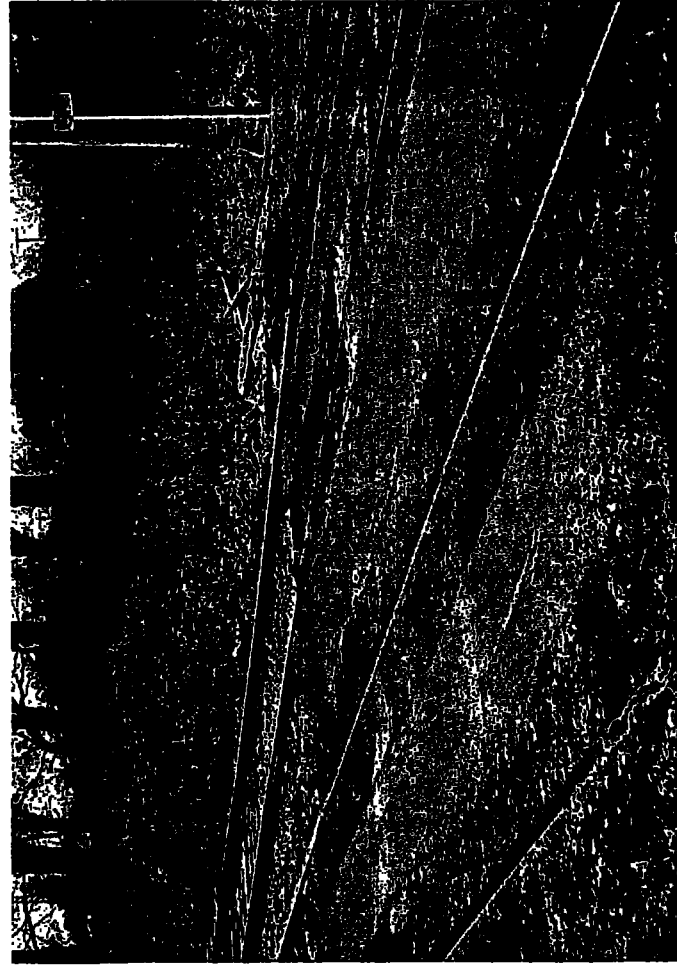
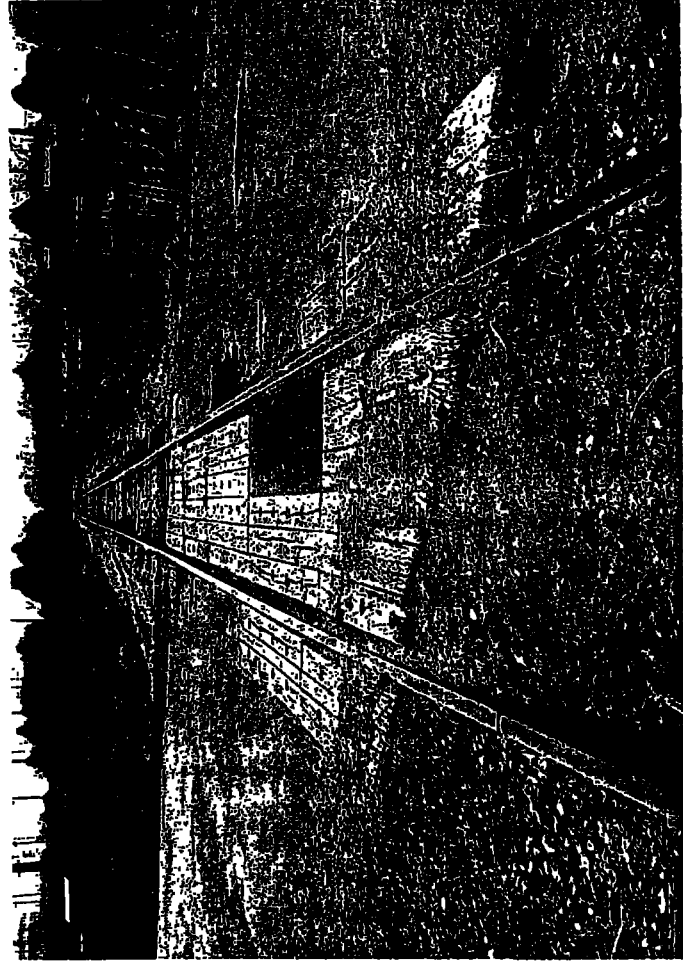


347-259 - w

SUNSET AVE

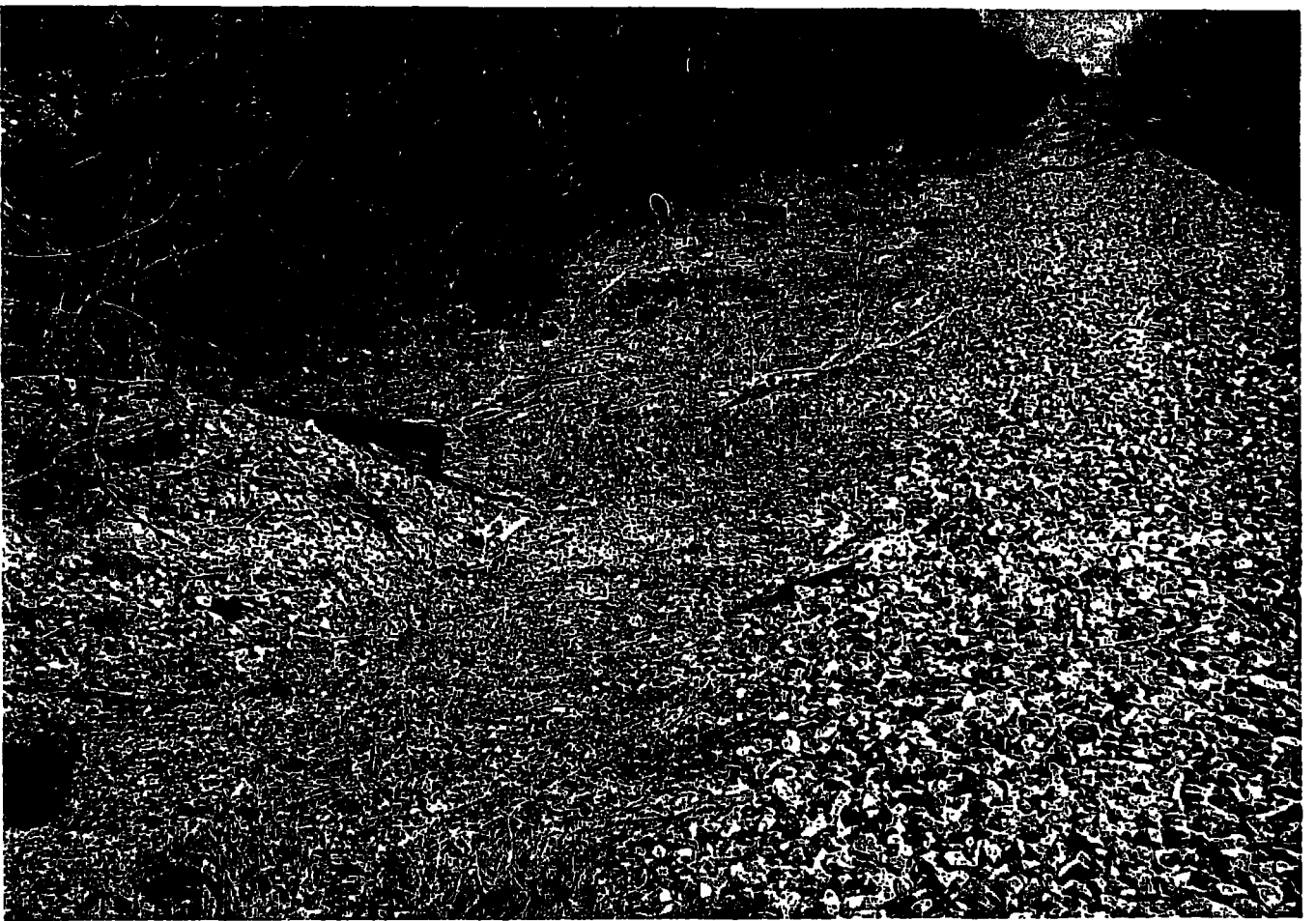


ZION HILL RD



SUNSET AVE

SUNSET AVE



B

**DO NOT
TO
ATTEND**



D

Allev

Street

Highway

Railroad

5/12/04



Dave Geraci
Manager - Network Rationalization

Attachment 6

500 Water Street - J200
Jacksonville, FL 32202
Phone: (904) 633-1068
FAX: (904) 245-2228
E-Mail: Dave_Geraci@CSX.com

March 2, 2009

Mr. Anthony Casteel, Director
Athens Community Development
815 North Jackson Street
Athens, TN 37303

Dear Mr. Casteel:

Please be advised that CSX Transportation, Inc. is considering abandonment of a portion of its rail line from Railroad Milepost OKW 327 (near Englewood) to the end of track at Railroad Milepost OKW 333.4 (near Athens), a distance of 6.4 miles known as the Athens Branch, McMinn County, Tennessee, as depicted on the attached map.

This action requires Surface Transportation Board approval and Federal Regulations 49 C.F.R. 1105.7(3)(i) require that CSXT develop a response to the following statement:

"Based on consultation with local and/or regional planning agencies and/or a review of the official planning documents prepared by such agencies, state whether the proposed action is consistent with existing land use plans. Describe any inconsistencies."

CSXT would appreciate your advice as to the existence of a long-range comprehensive planning map for the City of Athens and the line's relationship to such planning.

As further information, CSXT will provide a preliminary environmental report in the coming weeks which will outline the scope of the proposed salvage activity and include any comments received from your office.

Further enclosed, please find a distribution list of all parties that have been copied of the proposed action.

Sincerely,

A handwritten signature in black ink, appearing to read "Dave Geraci", with a long horizontal stroke extending to the right.

Attachment

Attachment 7

United States Department of Agriculture



Natural Resources Conservation Service
9737 Cogdill Road, Suite 152C
Knoxville, TN 37932
Phone 865-671-3830 x. 112

March 10, 2009

Mr. Dave Geraci, Manager
Network Rationalization
CSX Transportation
500 Water Street (J2000)
Jacksonville, FL 32203

Project: Athens Branch rail line abandonment; Milepost OKW 327 to Milepost OKW 333.4

Dear Mr. Geraci,

This letter is in response to your request for information concerning Prime Farmland in McMinn County, Tennessee. This project will not result in the conversion of Prime Farmland as defined in the Farmland Protection Policy Act. Prime farmland is land that has the best combination of physical and chemical characteristics, growing season, and moisture supply for producing agricultural crops. Generally, land may be pasture, forestland, or cropland but may not be urban built-up land or waterways.

Of possible interest are three areas of "Bm - Bloomingdale silty clay loam, occasionally flooded" that are crossed by the rail line. Bloomingdale soils are on the list of Hydric Soils in McMinn County. Soils that have "hydric properties" are one of the three criteria used in wetland determinations. Also, a portion of the line is within floodplains and/or adjacent to streams. All of these areas could potentially be sensitive to excessive disturbance and manipulation. Specific locations can be provided if needed.

This determination has been made solely from the information you provided and with the assumption that all salvage operations will be conducted within the existing right-of-way. No site visit has been made. A completed Form AD-1006 is attached to document this determination.

Much soils information is available on-line at <http://websoilsurvey.nrcs.usda.gov/app/>
Additional information on Prime Farmland may be obtained at our websites
www.nrcs.usda.gov/technical/soils/fppa.html or www.nrcs.usda.gov/programs/fppa/.

Feel free to contact me if I may be of further assistance.
Sincerely,

A handwritten signature in black ink, appearing to read "Richard L. Livingston", is written over a horizontal line.

Richard L. Livingston, CPSS
Resource Soil Scientist

Enclosure

Helping People Help the Land

An Equal Opportunity Provider and Employer

U.S. Department of Agriculture

FARMLAND CONVERSION IMPACT RATING

PART I (To be completed by Federal Agency)		Date Of Land Evaluation Request 3/2/09			
Name Of Project Athens Branch rail line abandonment		Federal Agency Involved			
Proposed Land Use		County And State McMinn County, TN			
PART II (To be completed by NRCS)		Date Request Received By NRCS 3/9/09			
Does the site contain prime, unique, statewide or local important farmland? (If no, the FPPA does not apply – do not complete additional parts of this form).		Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	Acres Irrigated	Average Farm Size
Major Crop(s)	Farmable Land In Govt. Jurisdiction Acres: %			Amount Of Farmland As Defined in FPPA Acres: %	
Name Of Land Evaluation System Used	Name Of Local Site Assessment System	Date Land Evaluation Returned By NRCS 3/10/09			
PART III (To be completed by Federal Agency)		Alternative Site Rating			
		Site A	Site B	Site C	Site D
A. Total Acres To Be Converted Directly					
B. Total Acres To Be Converted Indirectly					
C. Total Acres In Site		0.0	0.0	0.0	0.0
PART IV (To be completed by NRCS) Land Evaluation Information					
A. Total Acres Prime And Unique Farmland					
B. Total Acres Statewide And Local Important Farmland		0.0			
C. Percentage Of Farmland In County Or Local Govt. Unit To Be Converted		0.0			
D. Percentage Of Farmland In Govt. Jurisdiction With Same Or Higher Relative Value					
PART V (To be completed by NRCS) Land Evaluation Criterion Relative Value Of Farmland To Be Converted (Scale of 0 to 100 Points)			0	0	0
PART VI (To be completed by Federal Agency)					
Site Assessment Criteria (These criteria are explained in 7 CFR 658 5(b))	Maximum Points				
1. Area In Nonurban Use					
2. Perimeter In Nonurban Use					
3. Percent Of Site Being Farmed					
4. Protection Provided By State And Local Government					
5. Distance From Urban Builtup Area					
6. Distance To Urban Support Services					
7. Size Of Present Farm Unit Compared To Average					
8. Creation Of Nonfarmable Farmland					
9. Availability Of Farm Support Services					
10. On-Farm Investments					
11. Effects Of Conversion On Farm Support Services					
12. Compatibility With Existing Agricultural Use					
TOTAL SITE ASSESSMENT POINTS	160	0	0	0	0
PART VII (To be completed by Federal Agency)					
Relative Value Of Farmland (From Part V)	100		0	0	0
Total Site Assessment (From Part VI above or a local site assessment)	160	0	0	0	0
TOTAL POINTS (Total of above 2 lines)	260	0	0	0	0
Site Selected:	Date Of Selection	Was A Local Site Assessment Used? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>			

Reason For Selection: Note: Project consists of rail line abandonment and salvage operation by CSX Transportation.

CSXT Environmental Report Response Form

STB Docket Number AB 55 Sub No. 694X

Petition for Exemption from Railroad Milepost OKW 327 (near Englewood) to the end of track at Railroad Milepost OKW 333.4 (near Athens), a distance of 6.4 miles known as the Athens Branch, McMinn County, Tennessee.

Agency response (check one):

☒ No Environmental Impact

☐ Environmental Impact as follows (or attached):

Date:

4/6/2009

Signature:

William A Dailey

Name:

William A Dailey

Title:

USOA - NRCS District Conservationist



Dave Geraci
Manager - Network Rationalization

Attachment 8

500 Water Street - J200
Jacksonville, FL 32202
Phone: (904) 633-1068
FAX: (904) 245-2226
E-Mail: Dave_Geraci@CSX.com

March 2, 2009

US Fish & Wildlife Service
Region 4
Century Center
1875 Century Blvd
Atlanta, GA 30345

No significant adverse impacts to wetlands
or federally listed endangered or threatened
species are anticipated from this proposal.

Leah Barclay 4/10/09
Field Supervisor Date
U. S. Fish and Wildlife Service
Cookeville, TN 38501

Dear Madam or Sir:

Please be advised that CSX Transportation, Inc. is considering abandonment of a portion of its rail line from Railroad Milepost OKW 327 (near Englewood) to the end of track at Railroad Milepost OKW 333.4 (near Athens), a distance of 6.4 miles known as the Athens Branch, McMinn County, Tennessee, as depicted on the attached map.

The action requires Surface Transportation Board approval and Federal Regulations 49 C.F.R. 1105.7 (8) (i) and (ii) require that CSXT develop responses to the following statements:

- (i) Based on consultation with the U. S. Fish and Wildlife Service state whether the proposed action is likely to adversely affect endangered or threatened species or areas designated as a critical habitat, and if so, describe the effects.
- (ii) State whether wildlife sanctuaries or refuges, National or State parks or forests will be affected, and describe any effects.

The removal of CSXT's rail material will be accomplished by use of the right of way for access, along with existing public and private crossings, and no new access roads are contemplated. CSXT does not intend to disturb any of the underlying roadbeds and do not anticipate any dredging or use of fill in the removal of the track material. The crossties and/or other debris will be transported away from the rail line and will not be discarded along the right of way, nor be placed or left in streams or wetlands, or along the banks of such waterways. During track removal, appropriate measures will be implemented to prevent or control spills from fuels, lubricants or any other materials from entering any watercourses.

Based upon the above described actions, CSXT would appreciate your concurrence in its position that there would be no adverse impact to any federally-listed endangered or threatened species, critical habitats, wildlife sanctuaries or refuges, National or State parks, or forests.

As further information, CSXT will provide a preliminary environmental report in the coming weeks which will outline the scope of the proposed salvage activity (as stated above) and include any comments received from your office.

Further enclosed, please find a distribution list of all parties that have been copied of the proposed action.

Sincerely,

Attachment



Dave Geraci
Manager - Network Rationalization

500 Water Street - J200
Jacksonville, FL 32202
Phone: (904) 633-1068
FAX: (904) 245-2228
E-Mail: Dave_Geraci@CSX.com

March 2, 2009

Tennessee Department of Environment & Conservation
401 Church Street
1st Floor, L&C Annex
Nashville, TN 37243-0435

Dear Madam or Sir:

Please be advised that CSX Transportation, Inc. is considering abandonment of a portion of its rail line from Railroad Milepost OKW 327 (near Englewood) to the end of track at Railroad Milepost OKW 333.4 (near Athens), a distance of 6.4 miles known as the Athens Branch, McMinn County, Tennessee, as depicted on the attached map.

This action requires Surface Transportation Board approval and Federal Regulations 49 C.F.R. 1105.7 (9) (i) and (iii) require that CSXT develop a response to the following statements:

(i) "Based on consultation with State Water quality officials, state whether the proposed action is consistent with applicable Federal, State or local water quality standards. Describe any inconsistencies."

(iii) State whether permits under Section 402 of the Clean Water Act 33 U.S.C. 1342 are required for the proposed action."

There are no refueling or maintenance areas within the project area. The removal of CSXT's rail material will be accomplished by use of the right of way for access, along with existing public and private crossings, and no new access roads are contemplated. CSXT does not intend to disturb any of the underlying roadbeds and do not anticipate any dredging or use of fill in the removal of the track material. The crossties and/or other debris will be transported away from the rail line and will not be discarded along the right of way, nor be placed or left in streams or wetlands, or along the banks of such waterways. During track removal, appropriate measures will be implemented to prevent or control spills from fuels, lubricants or any other pollutant materials from entering any watercourses.

Based upon the above described actions, CSXT would appreciate receiving your concurrence with its position that the proposed project is consistent with applicable Federal, State and local water quality standards, and that no permits under Section 402 are required at this time.

As further information, CSXT will provide a preliminary environmental report in the coming weeks which will outline the scope of the proposed salvage activity (as stated above) and include any comments received from your office.

Further enclosed, please find a distribution list of all parties that have been copied of the proposed action.

Sincerely,

A handwritten signature in dark ink, appearing to be "D. Geraci", written over a horizontal line.

Attachment

Attachment 10



DEPARTMENT OF THE ARMY
NASHVILLE DISTRICT, CORPS OF ENGINEERS
3701 Bell Road
NASHVILLE, TENNESSEE 37214

March 23, 2009

REPLY TO
ATTENTION OF:

Regulatory Branch

SUBJECT: File No. 2009-00461; Track Removal Railway Segment Abandonment Between Mileposts OKW 327 (near Englewood) and OKW 333.4 (near Athens), Crossing Middle Creek Mile 1.8 and Various Unnamed Tributaries, McMinn County, Tennessee CSX Transportation Docket No. AB55-694X

Mr. Dave Geraci
CSX Transportation
500 Water Street - J200
Jacksonville, FL 32202


Dear Mr. Geraci:

This is in response to your letter dated March 2, 2009 requesting our review/comments of the subject proposal.

Based on the information provided, it does not appear that the railway abandonment would impact waters of the U.S., including wetlands, with deposition of fill or dredged material. Therefore, a permit would not be required.

We appreciate your awareness of our regulatory program. If you have any questions, you can contact me at the above address, telephone (615) 369-7518, or by email at deborah.t.tuck@usace.army.mil.

Sincerely,

/s/ 
Deborah T. Tuck
Regulatory Specialist
Operations Division

Copy Furnished:

CELRN-OP-F/E, Elliott (via email)
Eastern Regulatory Field Ofc.
Lenoir City, TN

VI
CSX
TRANSPORTATION
Dave Geraci
Manager - Network Rationalization

3/16 PM → 27
2009-00461
500 Water Street - J200
Jacksonville, FL 32202
Phone: (904) 633-1088
FAX: (904) 245-2228
E-Mail: Dave_Geraci@CSX.com

March 2, 2009

US Army Corps of Engineers
Nashville District
P.O. Box 1070
Nashville, TN 37202-1070

Dear USACE:

Please be advised that CSX Transportation, Inc. is considering abandonment of a portion of its rail line from Railroad Milepost OKW 327 (near Englewood) to the end of track at Railroad Milepost OKW 333.4 (near Athens), a distance of 6.4 miles known as the Athens Branch, McMinn County, Tennessee, as depicted on the attached map.

This action requires Surface Transportation Board approval and Federal Regulations 49 C.F.R. 1105.7(9)(ii) require that CSXT develop a response to the following statement:

"Based on consultation with the U. S. Army Corps of Engineers, state whether permits under Section 404 of the Clean Water Act (33 U.S.C. 1344) are required for the proposed action and whether any designated wetlands or 100 year flood plains will be affected. Describe the effects."

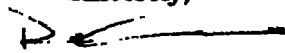
It is CSXT's opinion that there will be no impact on designated wetlands or 100-year flood plains because our intent at this time is to only remove CSXT's metal track material, crossties and perhaps the upper layer of ballast, and to preserve the existing routes of water flow and drainage. CSXT does not intend to disturb any of the underlying roadbeds or perform any activities that would cause sedimentation or erosion of the soil, and CSXT does not anticipate any dredging or use of fill in the removal of the track material. The track removal will be accomplished by use of the right of way for access, along with existing public and private crossings, and no new access roads are contemplated. The crossties and/or other debris will be transported away from the rail line and will not be discarded along the right of way, nor be placed or left in streams or wetlands, or along the banks of such waterways.

Based upon the above described actions, CSXT would appreciate your concurrence in its position that there would be no adverse impact on wetlands or 100-year flood plains, and that no permits under Section 404 will be required.

As further information, CSXT will provide a preliminary environmental report in the coming weeks which will outline the scope of the proposed salvage activity (as stated above) and include any comments received from your office.

Further enclosed, please find a distribution list of all parties that have been copied of the proposed action.

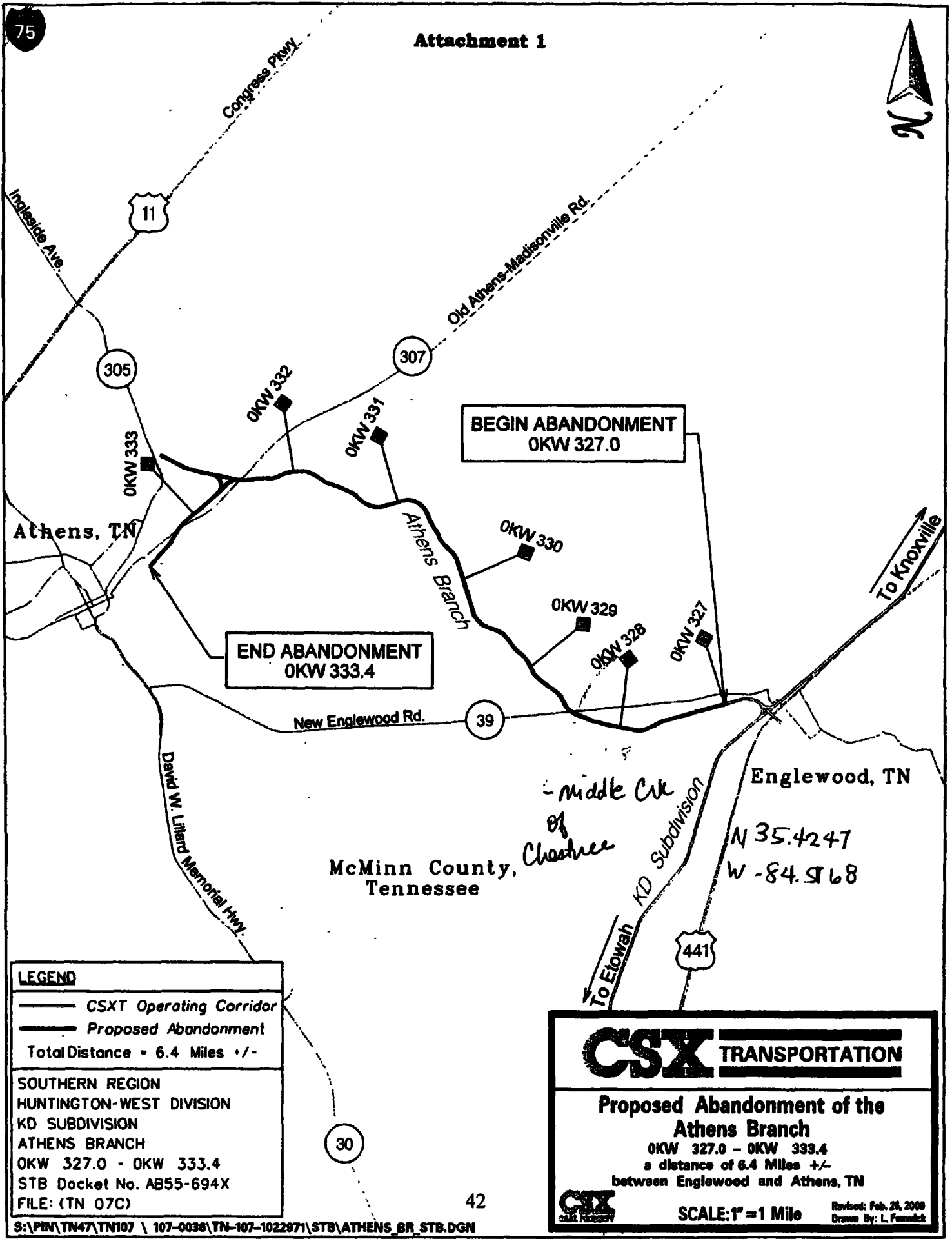
Sincerely,



Attachment

MAR 11 2009

Attachment 1



LEGEND

CSXT Operating Corridor
 Proposed Abandonment
 Total Distance = 6.4 Miles +/-

SOUTHERN REGION
 HUNTINGTON-WEST DIVISION
 KD SUBDIVISION
 ATHENS BRANCH
 OKW 327.0 - OKW 333.4
 STB Docket No. AB55-694X
 FILE: (TN 07C)

CSX TRANSPORTATION

Proposed Abandonment of the Athens Branch

OKW 327.0 - OKW 333.4
 a distance of 6.4 Miles +/-

between Englewood and Athens, TN



SCALE: 1" = 1 Mile

Revised: Feb. 26, 2008
 Drawn By: L. Fennick



Dave Geraci
Manager - Network Rationalization

500 Water Street - J200
Jacksonville, FL 32202
Phone: (904) 633-1068
FAX: (904) 245-2228
E-Mail: Dave_Geraci@CSX.com

March 2, 2009

**US EPA - Region 4
Sam Nunn Atlanta Federal Center
61 Forsyth Street, SW
Atlanta, GA 30303-3104**

Dear Mr. Nunn:

Please be advised that CSX Transportation, Inc. is considering abandonment of a portion of its rail line from Railroad Milepost OKW 327 (near Englewood) to the end of track at Railroad Milepost OKW 333.4 (near Athens), a distance of 6.4 miles known as the Athens Branch, McMinn County, Tennessee, as depicted on the attached map.

This action requires Surface Transportation Board approval and Federal Regulations 49 C.F.R. 1105.7 (9) (i) and (iii) require that CSXT develop a response to the following statements:

(i) "Based on consultation with State Water quality officials, state whether the proposed action is consistent with applicable Federal, State or local water quality standards. Describe any inconsistencies."

(iii) State whether permits under Section 402 of the Clean Water Act 33 U.S.C. 1342 are required for the proposed action."

There are no refueling or maintenance areas within the project area. The removal of CSXT's rail material will be accomplished by use of the right of way for access, along with existing public and private crossings, and no new access roads are contemplated. CSXT does not intend to disturb any of the underlying roadbeds and do not anticipate any dredging or use of fill in the removal of the track material. The crossties and/or other debris will be transported away from the rail line and will not be discarded along the right of way, nor be placed or left in streams or wetlands, or along the banks of such waterways. During track removal, appropriate measures will be implemented to prevent or control spills from fuels, lubricants or any other pollutant materials from entering any watercourses.

Based upon the above described actions, CSXT would appreciate receiving your concurrence with its position that the proposed project is consistent with applicable Federal, State and local water quality standards, and that no permits under Section 402 are required at this time.

As further information, CSXT will provide a preliminary environmental report in the coming weeks which will outline the scope of the proposed salvage activity (as stated above) and include any comments received from your office.

Further enclosed, please find a distribution list of all parties that have been copied of the proposed action.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Geraci", with a long horizontal line extending to the right.

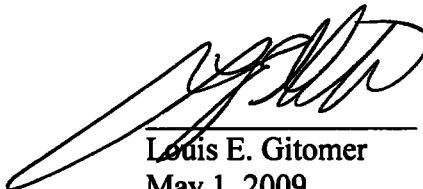
Attachment

EXHIBIT C-HISTORIC REPORT

CERTIFICATE OF SERVICE OF HISTORIC REPORT

Pursuant to the requirements of 49 C.F.R. §1105.8(c) and .11, the undersigned hereby certifies that a copy of the Historic Report in Docket No. AB-55 (Sub-No. 694X) was mailed via first class mail on March 25, 2009, to the following party:

Tennessee Historical Commission
Department of environment and Conservation
2941 Lebanon Road
Nashville, TN 37243-0442



Louis E. Gitomer
May 1, 2009

HISTORIC REPORT

**CSX TRANSPORTATION, INC.
ATHENS, MCMINN COUNTY, TENNESSEE
DOCKET AB-55 (SUB-NO. 694X)**

1105.7(e)(1)

PROPOSED ACTION AND ALTERNATIVES. Describe the proposed action, including commodities transported, the planned disposition (if any) of any rail line and other structures that may be involved, and any possible changes in current operations or maintenance practices. Also describe any reasonable alternatives to the proposed action. Include a readable detailed map and drawings clearly delineating the project.

CSXT proposes to abandon approximately 6.4 miles of its rail line from Railroad Milepost 0KW 327 (near Englewood) to Railroad Milepost 0KW 333.4 (near Athens), known as the Athens Branch in McMinn County, Tennessee.

The purpose of the proposed abandonment is to permit CSXT to avoid the maintenance and rehabilitation expenses on the line. The revenue generated by the on-line shippers is insufficient to cover the costs of operation and the rehabilitation and maintenance costs. In addition, CSXT is incurring opportunity costs from continuing to operate the line.

During the past several years, miscellaneous commodities have been handled; however, the principal commodity shipped to this line has been timber.

The current traffic being delivered can be trans-loaded to truck. There are ten truck companies serving the Athens area.

Two maps which delineate the proposed project are attached. (See Attachments 1 and 2)

1105.8(d)

- (1) A U.S.G.S. topographic map (or an alternate map drawn to scale and sufficiently detailed to show buildings and other structures in the vicinity of the proposed action) showing the location of the proposed action, and the locations and approximate dimensions of railroad structures that are 50 years old or older and are part of the proposed action.**

Attached is a copy of the Cleveland quadrangle topographic map prepared by the U. S. Department of Interior Geological Survey prepared by the U. S. Department of Interior Geological Survey.

The line to be abandoned has been identified by a heavy red line with black dashes. (See Attachment 3)

There are 4 CSXT-owned structures that are 50 years old or older that may be eligible for listing in the National Register that are part of the proposed action.

- (2) **A written description of the right of way (including approximate widths, to the extent known), and the topography and urban and/or rural characteristic of the surrounding area:**

The right of way width along this right of way is approximately 33 feet from the centerline of track. The rail line traverses several small streams and communities in a generally rural area.

- (3) **Good quality photographs (actual photographic prints, not photocopies) of railroad structures on the property that are 50 years old or older and of the immediately surrounding area:**

Color and Black and White Photographs of the structures have been printed on 75-year archival paper and included. (See Attachments 4 through 17)

- (4) **The date(s) of construction of the structure(s), and the date(s) and extent of any major alterations, to the extent such information is known:**

Bridge Number 328.3 is located in the town of Athens, TN. This is a 88.5-foot Timber bridge that traverses Middle Creek (waterway) and was built in 1954 by the Louisville & Nashville Railroad.

Bridge Number 328.7 is located in the town of Athens, TN. This is a 72-foot Timber bridge that traverses an unnamed stream and was built in 1953 by the Louisville & Nashville Railroad.

Bridge Number 329.5 is located in the town of Athens, TN. This is a 72-foot Timber bridge that traverses a country road and was built in 1953 by the Louisville & Nashville Railroad.

Bridge Number 332.8 is located in the town of Athens, TN. This is a 156-foot Timber bridge that traverses an unnamed stream and was built in 1955 by the Louisville & Nashville Railroad.

CSXT does not consider timber trestle bridges as "historic" since it is CSXT's required maintenance practice to repair timber trestle bridges on an "ongoing and as needed" basis. Repair and/or maintenance records are not retained due to the unique safety requirements that timber trestle bridges retain. Therefore, the historic qualities of such bridges are continually being changed due to safety and operational requirements.

(5) A brief narrative history of carrier operations in the area, and an explanation of what, if any, changes are contemplated as a result of the proposed action:

This line was acquired and operated by the Louisville and Nashville Railroad Company (L&N) in approximately 1928. The L&N was incorporated under special act of Kentucky on March 5, 1850, under special act of Tennessee on December 4, 1851, and under special act of Virginia, on March 30, 1887.

In 1972 The Family Lines was adopted to identify the Louisville and Nashville Railroad and the Seaboard Coast Line Railroad. On November 1, 1980, Seaboard Coast Line Industries Inc. (which was formed in May, 1969) and Chessie System Inc. merged and became CSX Corporation. On January 1, 1983, the merger of The Family Lines' affiliates formed the Seaboard System Railroad Inc., which name was changed on July 1, 1986 to CSX Transportation, Inc.

Upon receiving abandonment authority, Applicant's operations and maintenance over this line will cease.

(6) A brief summary of documents in the carrier's possession, such as engineering drawings, that might be useful in documenting a structure that is found to be historic:

An Engineering Sketch of Bridge 328.3 is the only such drawing or sketch that remains in carrier's possession. (See Attachment 18)

(7) An opinion (based on readily available information in the railroad's possession) as to whether the site and/or structures meet the criteria for listing on the National Register of Historic Places (36 C.F.R. 60.4), and

whether there is a likelihood of archeological resources or any other previously unknown historic properties in the project area, and the basis for these opinions (including any consultations with the State Historic Preservation Office, local historical societies or universities):

A review of our records indicates there are four (4) CSXT-owned structures over 50 years old on this line segment that may be eligible for listing in the National Register.

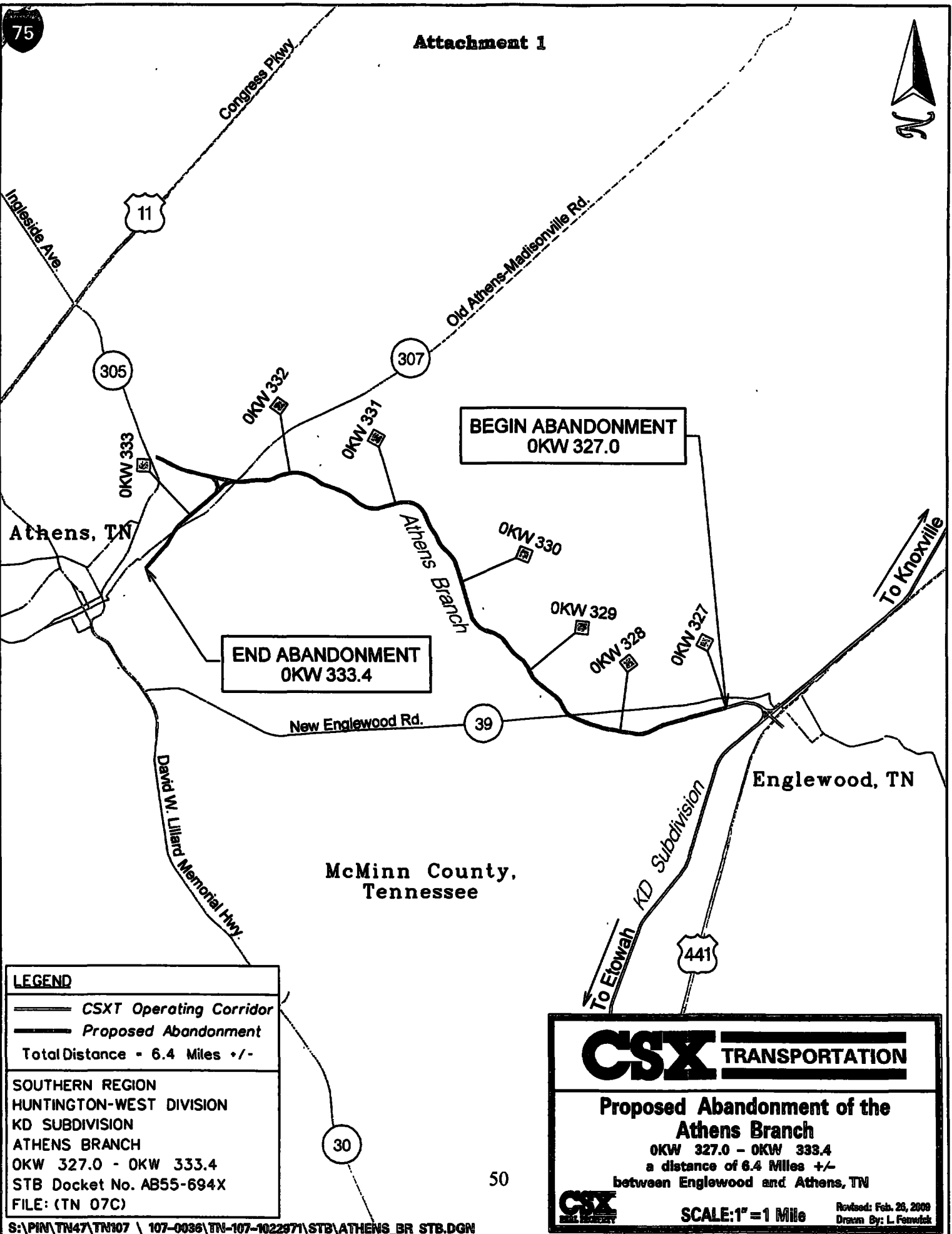
We do not consider timber trestle bridges as "historic" since it is our required maintenance practice to repair timber trestle bridges on an "ongoing and as needed" basis. Repair and/or maintenance records are not retained due to the unique safety requirements that timber trestle bridges retain. Therefore, the historic qualities of such bridges are continually being changed due to safety and operational requirements.

We do not know of any significance or uniqueness to these structures that would warrant your consideration, since to our knowledge, they are not associated with any event that has made a contribution to the broad patterns of history; or were not associated with lives of persons significant to our past; do not embody the distinctive characteristics of a type, period or method of construction; and do not represent a significant and distinguishable entity whose components may lack individual distinction and have not or may not be likely to yield information important in prehistory or history.

We do not know of any archeological resources or any other previously unknown historic properties in the project area.

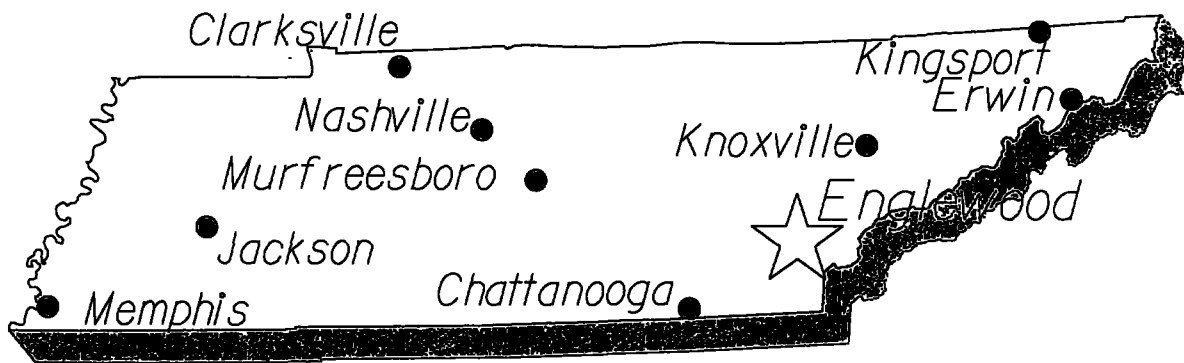
- (8) A description (based on readily available information in the railroad's possession) of any known prior subsurface ground disturbance or fill, environmental conditions (naturally occurring or man-made) that might affect the archeological recovery of resources (such as swampy conditions or the presence of toxic wastes), and the surrounding terrain.**

The line was disturbed during construction by cuts and fill and any archeological resources that may have been located in the proposed project area would have been affected at that time versus during the proposed salvage operations associated with rail removal. Our records do not indicate that any swampy conditions exist, or that any hazardous material spills have occurred within the project area.





Englewood, TN

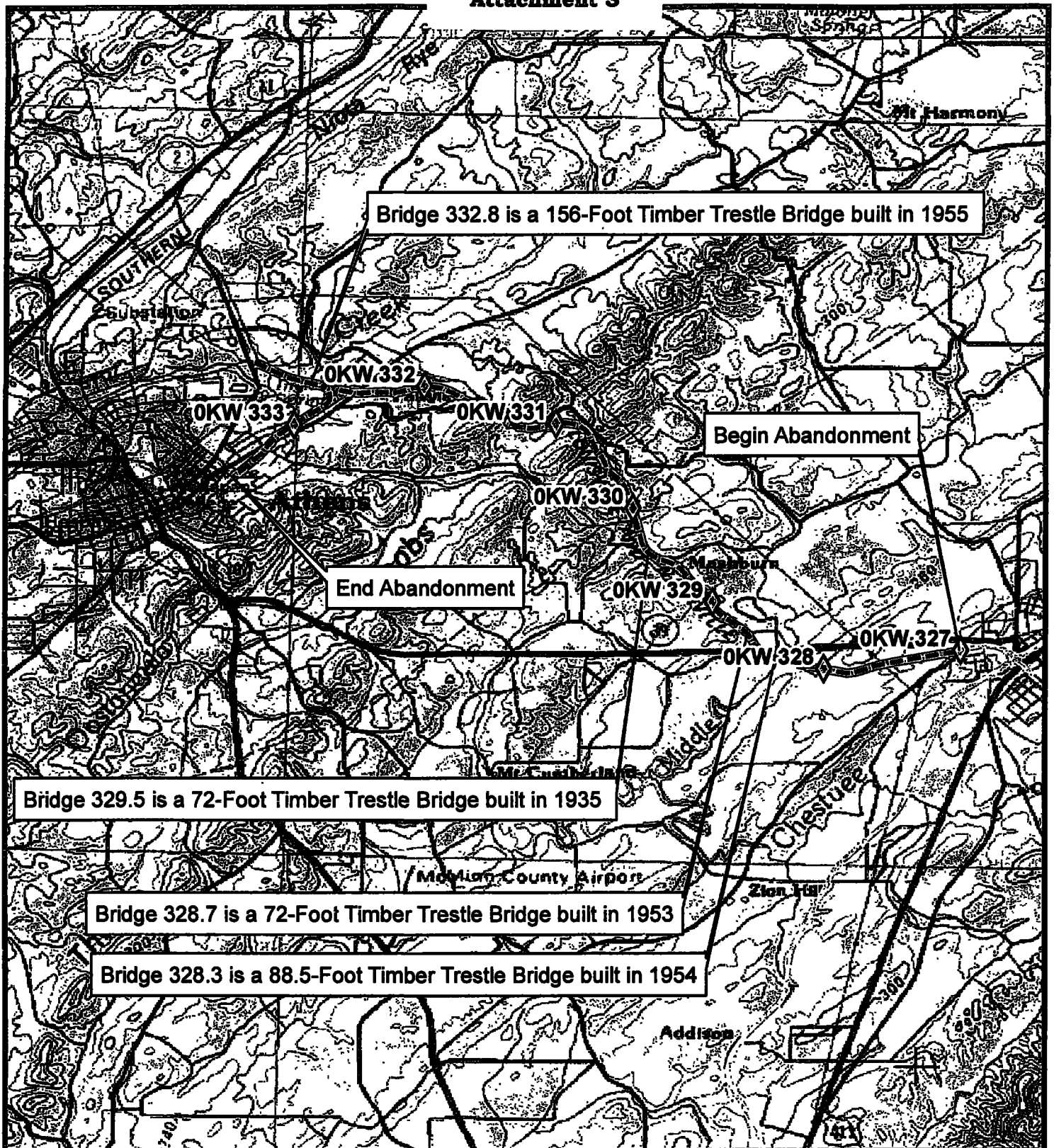


AREA MAP

- Proposed Abandonment -
Athens Branch

Milepost 0KW 327.0 to 0KW 333.4 - 6.4 miles
Between Englewood and Athens, McMinn County, TN

Attachment 3



Bridge 329.5 is a 72-Foot Timber Trestle Bridge built in 1935

Bridge 328.7 is a 72-Foot Timber Trestle Bridge built in 1953

Bridge 328.3 is a 88.5-Foot Timber Trestle Bridge built in 1954

Legend

SUBJECT

CSX

Approximate Latitude and Longitude at 0KW 327.0 - Athens Branch -
N35° 25' 32.77", W84° 29' 39.88"

Topo: USGS 100k CLEVELAND Quad (USGS_QD_ID: 35084-A1)

Projection is: GCS_WGS_1984 - UTM Zone 16 (NAD83)

CSX

REAL PROPERTY
GIS MAPPING SERVICES

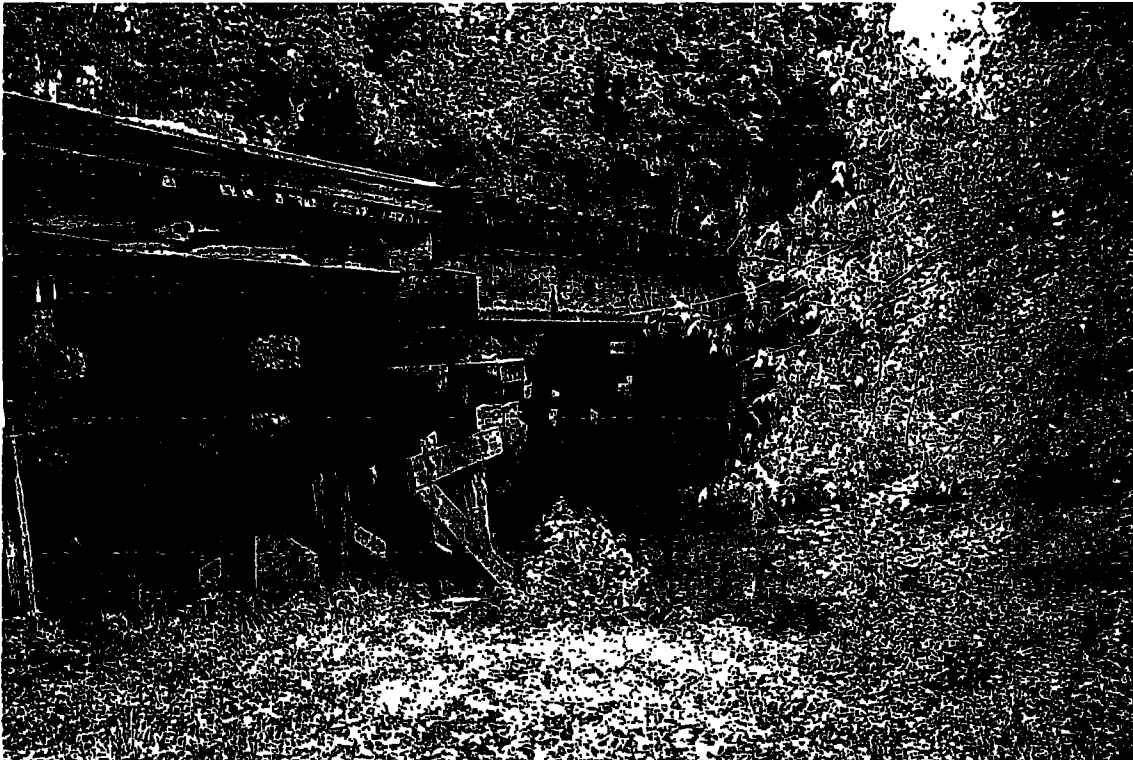
Drawn By: L. Fenwick

Rev. Date: Feb. 26, 2009

Attachment 4



CSXT Bridge 328.3



**53
CSXT Bridge 328.3**

Attachment 5



CSXT Bridge 328.3



Attachment 6



CSXT Bridge 328.3



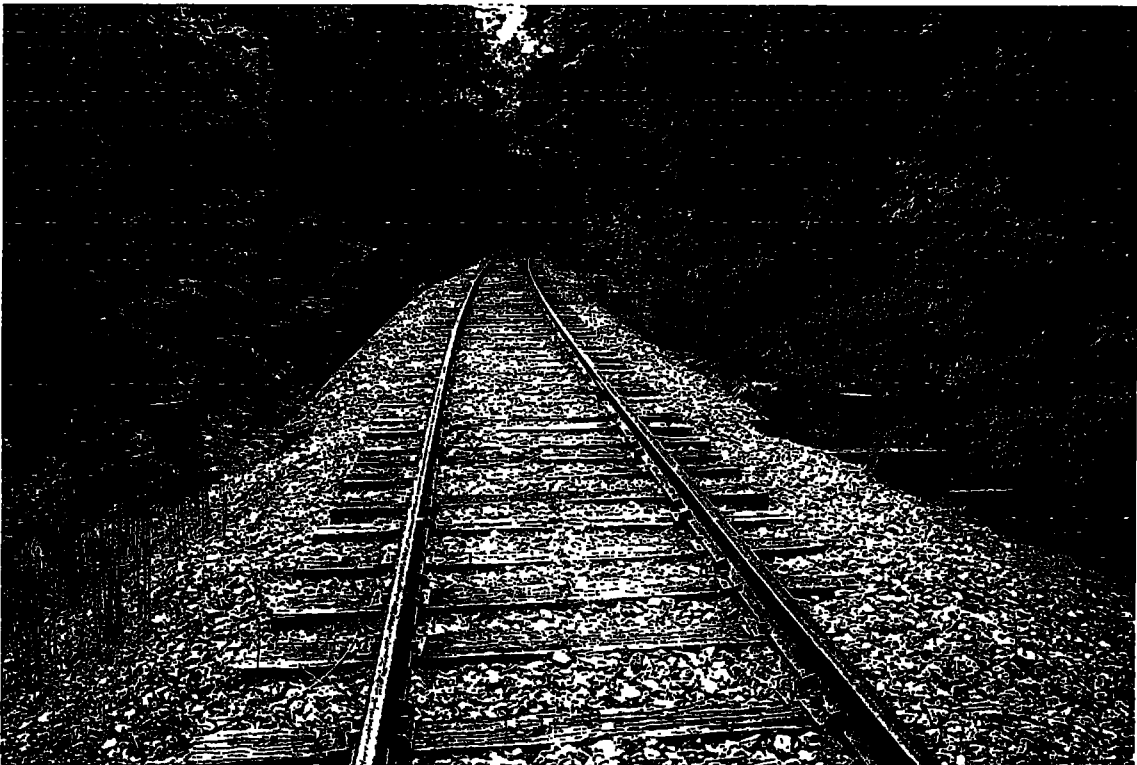
55

CSXT Bridge 328.7

Attachment 7



CSXT Bridge 328.3



CSXT Bridge 328.7

Attachment 8



CSXT Bridge 328.7



CSXT Bridge 328.7

Attachment 9



CSXT Bridge 328.7



Attachment 10



CSXT Bridge 329.5



59
CSXT Bridge 329.5

Attachment 11

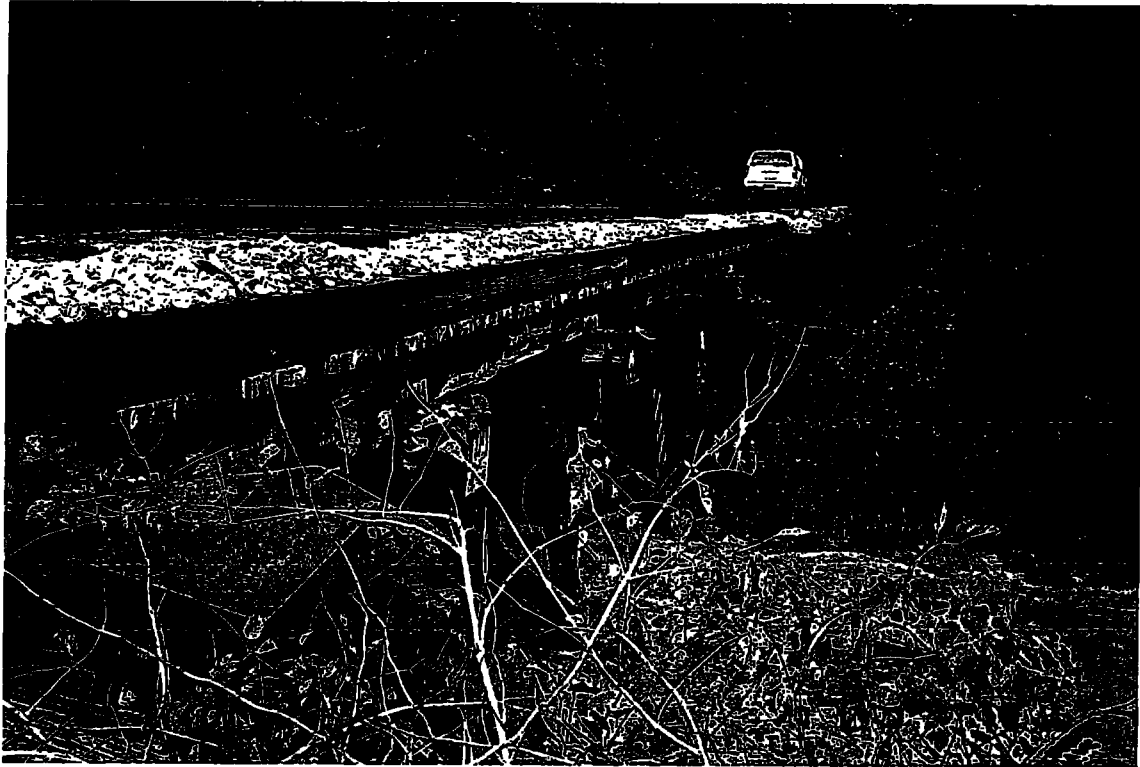


CSXT Bridge 329.5



CSXT Bridge ⁶⁰329.5

Attachment 12



CSXT Bridge 329.5



CSXT Bridge 329.5

Attachment 13

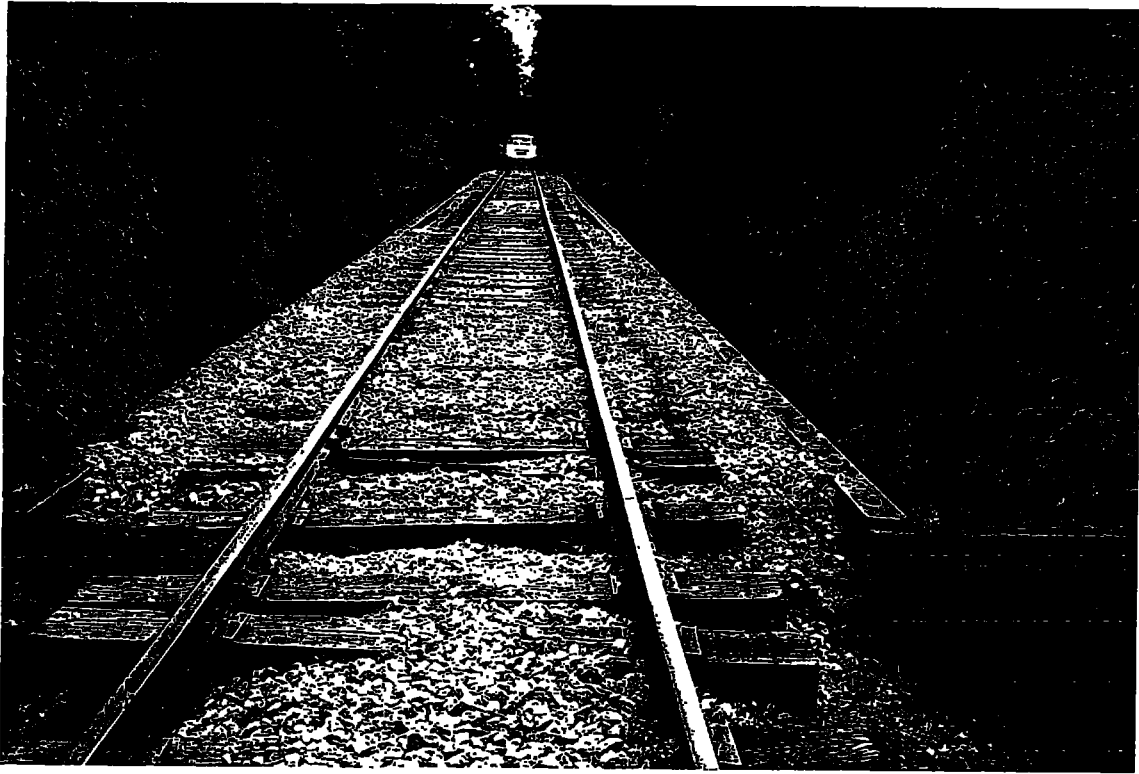


CSXT Bridge 329.5



⁶²
CSXT Bridge 329.5

Attachment 14

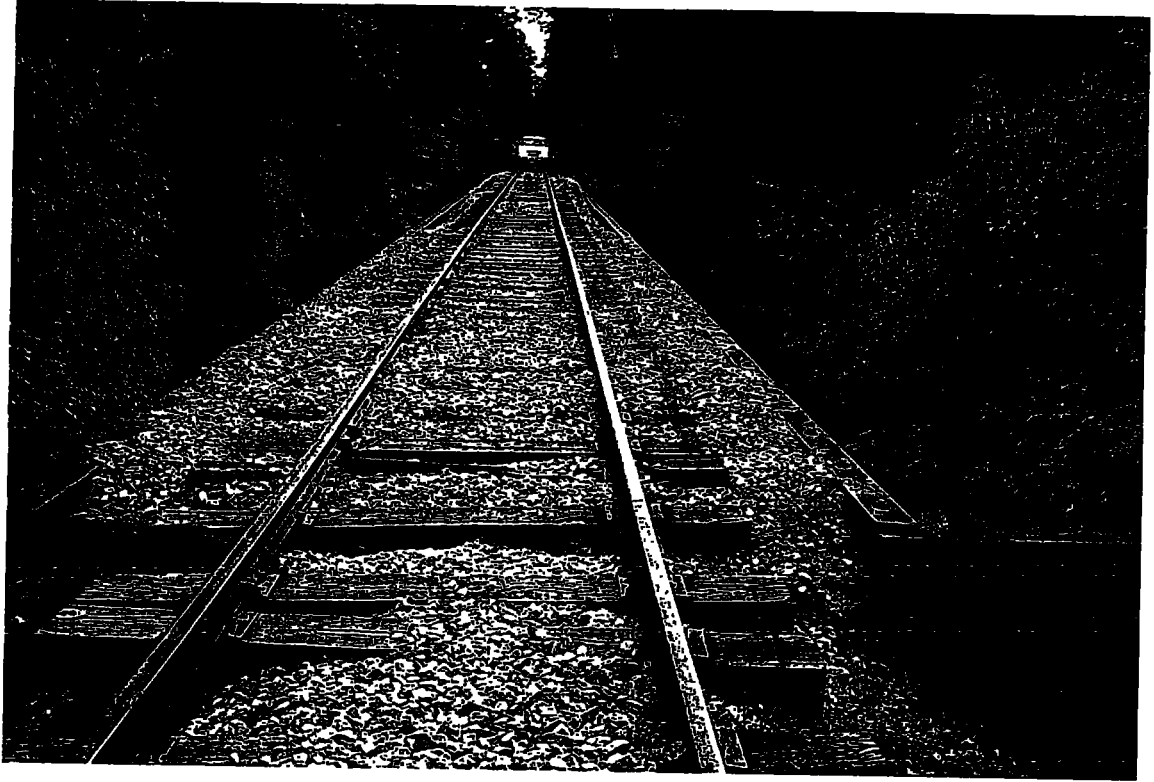


CSXT Bridge 332.8

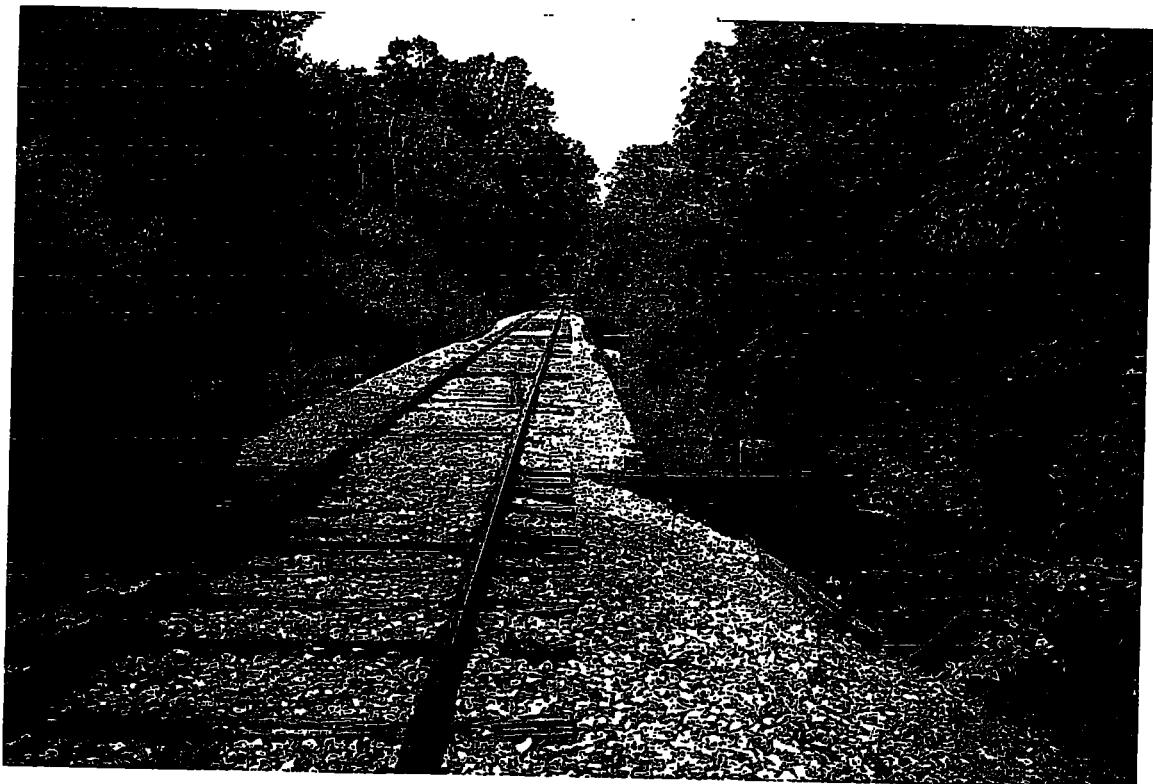


CSXT Bridge 332.8

Attachment 15

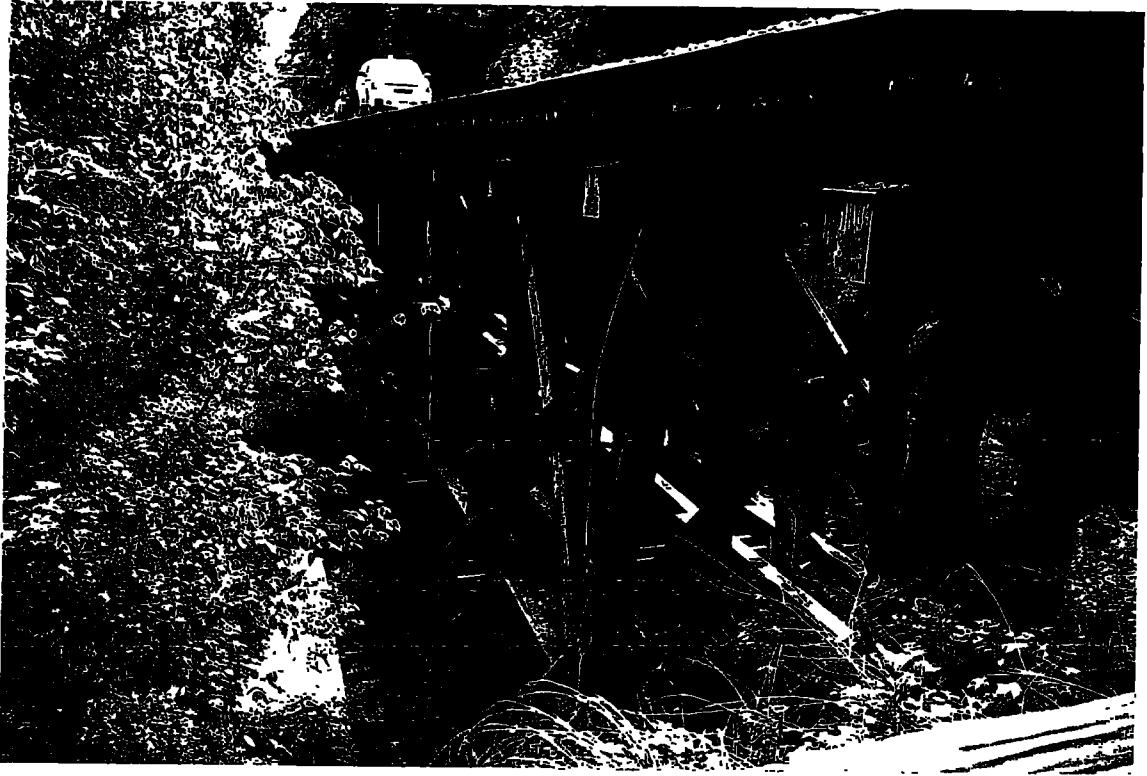


CSXT Bridge 332.8

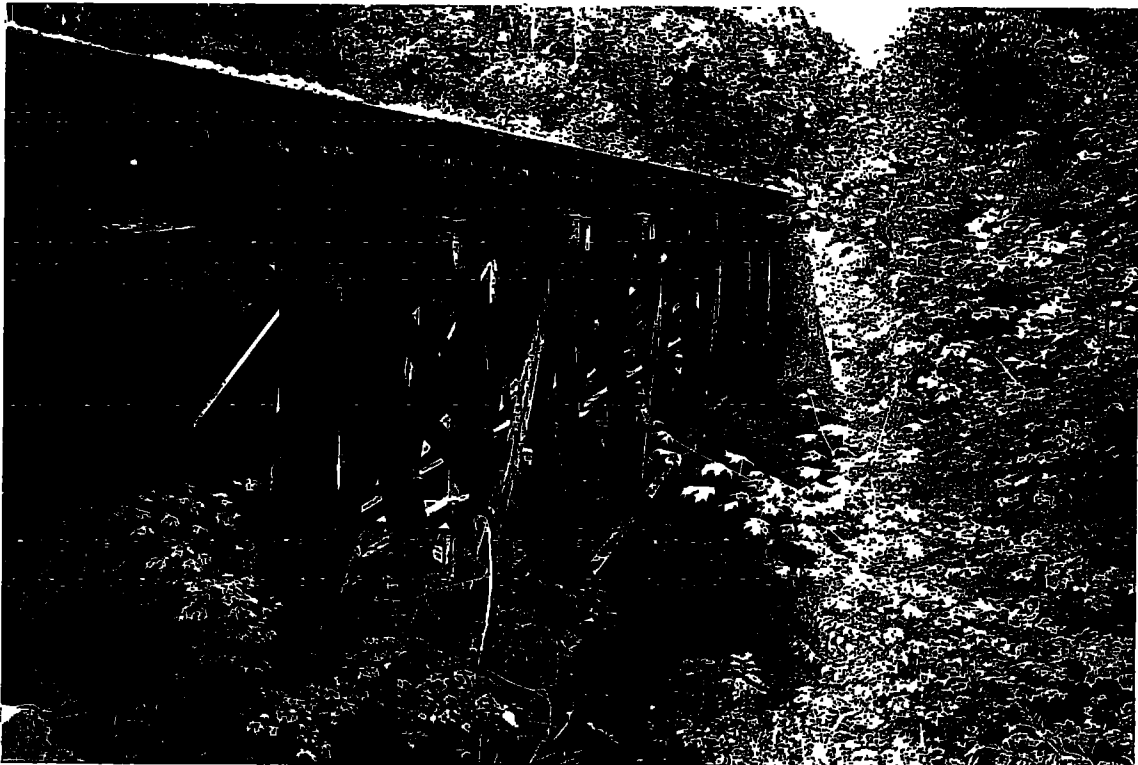


CSXT⁶⁴ Bridge 332.8

Attachment 16



CSXT Bridge 332.8

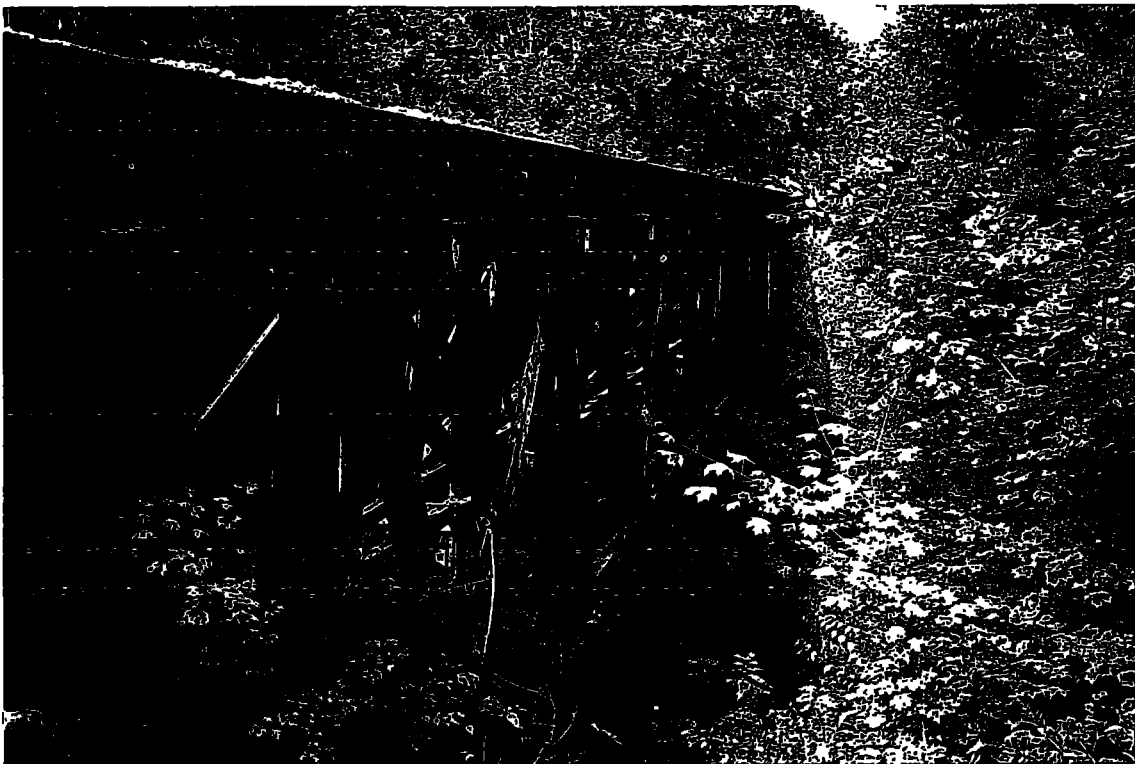


65
CSXT Bridge 332.8

Attachment 17



CSXT Bridge 332.8

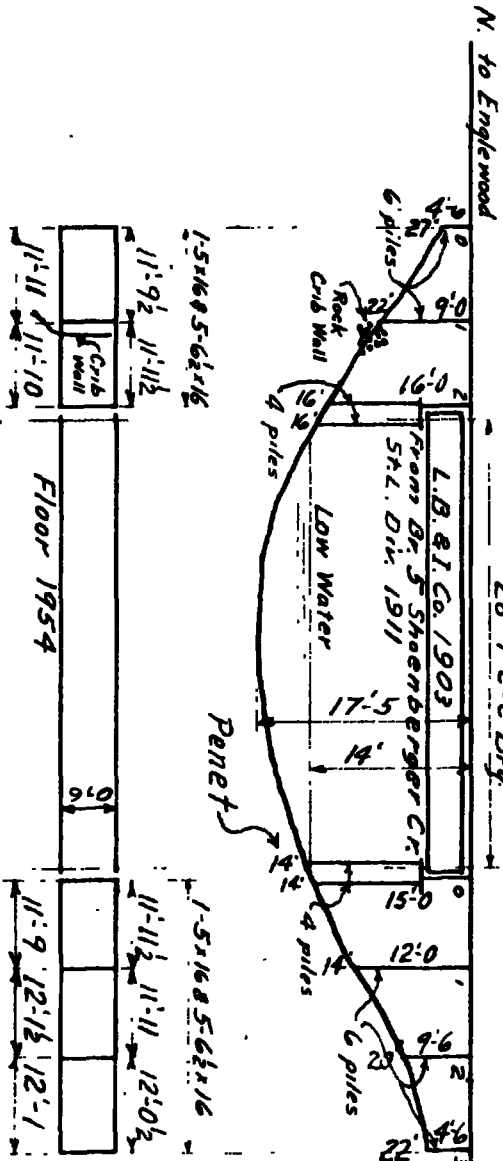


CSXT Bridge 332.8

BRIDGE No. 1 MIDDLE CREEK

91'-9" c-c
28'-9" c-c Brg

KNOX DIVISION
A. & T. BRANCH



L.F. 13731-1
F.R. H34807
C.R.P. "
C.T. H423742
D.E. ITC, OCO
G.R. - H82031

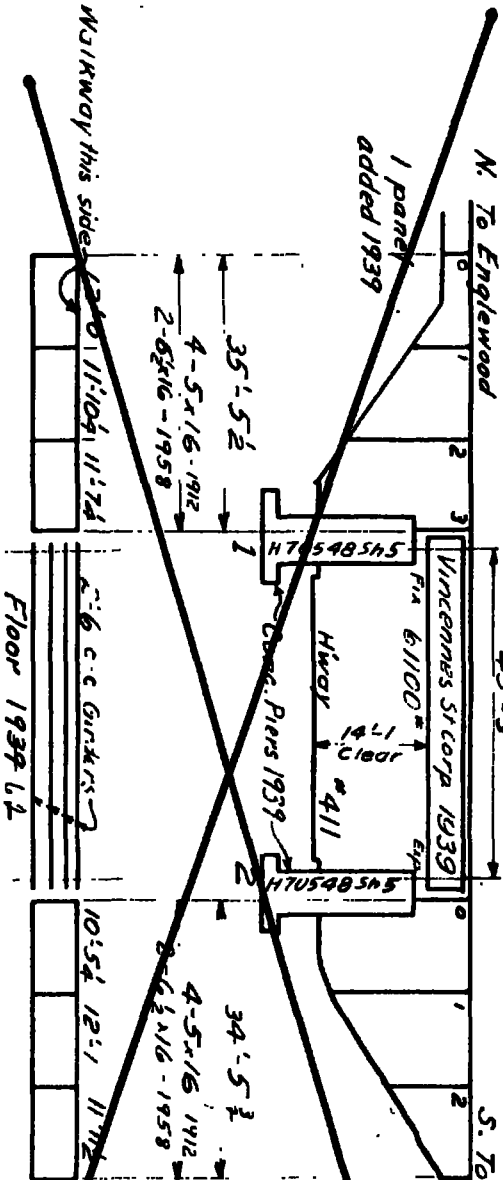
Alignment - Ton.
Bents Cree. Pile 1954
Bal. Beck Cree. 1954
Painted 19234457

BRIDGE No. 8 UNDERPASS

MILE KB326.8

L.F. 3C422

KNOX DIVISION
A. & T. BRANCH



L.F. 30422
G.R. H20548 5h.1
G.P. " " 4
F.R. " " 7
C.Tim " " 8
S.D. H71512 5h.1

Tangent
Bents - 4 Cree. Piles 1939
58
Tres. Deck Cree. 1939
Paint - 1939



Dave Geraci
Manager - Network & Joint Facility Services

500 Water Street - J200
Jacksonville, FL 32202
Tel. (904) 633-1088
Fax (904) 245-2226
E-Mail: Dave_Geraci@CSX.com

March 25, 2009

Mr. James H. Fyke
Tennessee State Historic Preservation Officer
Department of Environment and Conservation
401 Church Street
L & C Tower 1st Floor
Nashville, TN 37243-0435

RE: CSX Transportation, Inc.
Proposed Line Abandonment
Docket AB-55 (Sub-No. 694X)

Dear Mr. Fyke:

Please be advised that CSX Transportation, Inc., anticipates filing an abandonment of approximately 6.4-miles of its rail line from Railroad Milepost OKW 327 (near Englewood) to Railroad Milepost OKW 333.4 (near Athens), known as the Athens Branch in McMinn County, Tennessee, as shown in the attached historic report.

In connection with rail lines that are to become the subject of applications for authority to abandon, Federal Regulations at 49 CFR 1105.8(d), require that a Historic Report be submitted to the State Historic Preservation Officer prior to filing with the Surface Transportation Board. In accordance with those Regulations, I am attaching a Historic Report covering the above proposed abandonment.

I would appreciate receiving a letter confirming that this project will have no impact upon any cultural resources. If you have questions, please feel free to call me.

Sincerely,

Attachment

Cc: STB - SEA, 395 E Street SW, Washington, DC 20423
Mr. Lou Gitomer, Counsel, 600 Baltimore Ave, Suite 301, Towson, MD 21204
Mr. Steve Armbrust, Counsel, CSXT, 500 Water St.-J150, Jacksonville, FL 32202



April 8, 2009

TENNESSEE HISTORICAL COMMISSION
DEPARTMENT OF ENVIRONMENT AND CONSERVATION
2941 LEBANON ROAD
NASHVILLE, TN 37243-0442
(615) 532-1550

Mr. Dave Geraci
CSX Transportation
500 Water St./J200
Jacksonville, Florida, 32202

RE: STB, DOCKET AB-55 SUB NO 694X, UNINCORPORATED, MCMINN COUNTY

Dear Mr. Geraci:

In response to your request, received on Wednesday, April 1, 2009, we have reviewed the documents you submitted regarding your proposed undertaking. Our review of and comment on your proposed undertaking are among the requirements of Section 106 of the National Historic Preservation Act. This Act requires federal agencies or applicant for federal assistance to consult with the appropriate State Historic Preservation Office before they carry out their proposed undertakings. The Advisory Council on Historic Preservation has codified procedures for carrying out Section 106 review in 36 CFR 800. You may wish to familiarize yourself with these procedures (Federal Register, December 12, 2000, pages 77698-77739) if you are unsure about the Section 106 process.

After considering the documents you submitted, we determine that THERE ARE NO NATIONAL REGISTER OF HISTORIC PLACES LISTED OR ELIGIBLE PROPERTIES AFFECTED BY THIS UNDERTAKING. We have made this determination either because of the specific location, scope and/or nature of your undertaking, and/or because of the size of the area of potential effect; or because no listed or eligible properties exist in the area of potential effect; or because the undertaking will not alter any characteristics of an identified eligible or listed property that qualify the property for listing in the National Register or alter such property's location, setting or use. Therefore, we have no objections to your proceeding with your undertaking.

If your agency proposes any modifications in current project plans or discovers any archaeological remains during the ground disturbance or construction phase, please contact this office to determine what further action, if any, will be necessary to comply with Section 106 of the National Historic Preservation Act. If you are applying for federal funds, license or permit, you should submit this letter as evidence of consultation under Section 106 to the appropriate federal agency, which, in turn, should contact us as required by 36 CFR 800. If you represent a federal agency, you should submit a formal determination of eligibility and effect to us for comment. You may find additional information concerning the Section 106 process and the Tennessee SHPO's documentation requirements at <http://www.tennessee.gov/environment/hist/federal/sect106.shtm>. You may direct questions or comments to Joe Garrison (615) 532-1550-103. This office appreciates your cooperation.

Sincerely,

E. Patrick McIntyre, Jr.
Executive Director and
State Historic Preservation Officer

EPM/jyg

EXHIBIT D–FEDERAL REGISTER NOTICE

CSX TRANSPORTATION, INC.—ABANDONMENT EXEMPTION—
IN MCMINN COUNTY, TN

Notice of Petition for Exemption to Abandonment

On May 1, 2009 CSX Transportation, Inc. (“CSXT”) filed with the Surface Transportation Board, Washington, D.C. 20423, a petition for exemption for the abandonment of a 6.4-mile rail line on its Southern Region, Huntington-West Division, KD Subdivision between Englewood, milepost OKW 327, and Athens, milepost OKW 333.4, in McMinn County, TN, all of which traverses through United States Postal Service ZIP Codes 37329 and 37303 (the “Line”). The Line for which the abandonment exemption request was filed includes the Athens station at milepost OKW 334.

The Line does not contain federally granted rights-of-way. Any documentation in the railroad’s possession will be made available promptly to those requesting it.

The interest of railroad employees of CSXT will be protected by *Oregon Short Line R. Co.—Abandonment—Goshen*, 360 I.C.C. 91 (1979).

Any offer of financial assistance will be due no later than 10 days after service of a decision granting the petition for exemption.

All interested persons should be aware that following abandonment of rail service and salvage of the line, the line may be suitable for other public use, including interim trail use.

Any request for a public use condition and any request for trail use/rail banking will be due no later than 20 days after notice of the filing of the petition for exemption is published in the Federal Register.

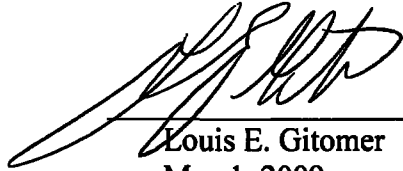
Persons seeking further information concerning abandonment procedures may contact the Surface Transportation Board or refer to the full abandonment or discontinuance regulations at 49 CFR Part 1152. Questions concerning environmental issues may be directed to the Board's Section of Environmental Analysis.

An environmental assessment (EA) (or environmental impact statement (EIS), if necessary) prepared by the Section of Environmental Analysis will be served upon all parties of record and upon any agencies or other persons who commented during its preparation. Any other persons who would like to obtain a copy of the EA (or EIS) may contact the Section of Environmental Analysis. EAs in these abandonment proceedings normally will be made available within 60 days of the filing of the petition. The deadline for submission of comments on the EA will generally be within 30 days of its service.

EXHIBIT E-NEWSPAPER CERTIFICATION

CERTIFICATE OF PUBLICATION

The undersigned hereby certifies that notice of the proposed abandonment in Docket No. AB-55 (Sub-No. 694X) was advertised on April 28, 2009 in the Daily Post Athenian, a newspaper of general circulation in McMinn County, TN, as required by 49 C.F.R. § 1105.12.



A handwritten signature in black ink, appearing to read 'L. Gitomer', is written over a horizontal line.

Louis E. Gitomer
May 1, 2009

CSX Transportation, Inc. gives notice that on or about May 1, 2009 it intends to file with the Surface Transportation Board, Washington, DC 20423, a petition for exemption under 49 U.S.C. 10505 from the prior approval requirements of 49 U.S.C. 10903, et seq., permitting the abandonment of a 6.4-mile rail line on its Southern Region, Huntington- West Division, KD Subdivision, between Milepost OKW 327, Englewood, and Milepost OKW 333.4, Athens, known as the Athens Branch, which traverses through United States Postal Service ZIP Codes 37329 and 37303 in McMinn County, TN. The proceeding has been docketed as No. AB-55 (Sub-No. 694X).

The Board's Section of Environmental Analysis (SEA) will generally prepare an Environmental Assessment (EA), which will normally be available 60 days after the filing of the petition for discontinuance of service exemption. Comments on environmental and energy matters should be filed no later than 30 days after the EA becomes available to the public and will be addressed in a Board decision. Interested persons may obtain a copy of the EA or make inquiries regarding environmental matters by writing to SEA, Surface Transportation Board, Washington, DC 20423 or by calling SEA at 202-245-0295

Appropriate offers of financial assistance to continue rail service can be filed with the Board. Requests for environmental conditions, public use conditions, or rail banking/trails use also can be filed with the Board. An original and 10 copies of any pleading that raises matters other than environmental issues (such as trails use, public use, and offers of financial assistance) must be filed directly with the Board's Office of the Secretary, 395 E Street, SW, Washington, DC 20423 [See 49 CFR 1104.1(a) and 1104.3(a)], and one copy must be served on applicants' representative [See 49 CFR 1104.12(a)]. Questions regarding offers of financial assistance, public use or trails use may be directed to the Board's Office of Congressional and Public Services at 202-245-0233. Copies of any comments or requests for conditions should be served on the applicant's representative: Louis E. Gitomer; Law Offices of Louis E. Gitomer, 600 Baltimore Avenue, Suite 301, Towson, MD 21204, (410) 296-2250, Lou_Gitomer@verizon.net.

**EXHIBIT F—VERIFIED STATEMENT OF ELLEN M.
PRESLAR**

VERIFIED STATEMENT OF ELLEN M. PRESLAR

I am Ellen M. Preslar, Manager Regulatory Costing in the Finance department, CSX Transportation, Inc. In this job, I am responsible for the preparation of cost analyses, including those required for abandonments under 49 CFR Subpart D. I have prepared the attached revenue and cost statement in accordance with my understanding of the rules in 49 CFR Subpart D.

VERIFICATION

I, Ellen M. Preslar, verify under penalty of perjury under the laws of the United States that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this Verified Statement.

Executed April 23, 2009

Ellen M. Preslar
Ellen M. Preslar

CSX Transportation, Inc. – Abandonment
Line Segment: Englewood - Athens, TN (Athens Branch)

	Base Year (End 12/31/2007) 344 CL	Forecast Year (Begin 05/01/2009) 251 CL	Projected Subsidy Year (End 09/30/2010) 251 CL
Revenues Attributable			
1. Freight Originated &/or Terminated On Branch	\$ 515,497	422,382	430,022
2. Bridge Traffic	-	-	-
3. All Other Revenue and Income	450	-	-
4. Total Revenues Attributable (Lines 1 thru 3)	\$ 515,947	\$ 422,382	\$ 430,022
Avoidable Costs			
5. Total On-Branch Costs (Lines 5a thru 5k)	\$ 154,496	\$ 144,981	\$ 147,832
a. Maintenance of Way and Structures	32,000	32,000	32,000
b. Maintenance of Equipment - Locomotives	11,066	10,988	10,887
c. Transportation	90,460	81,028	83,980
d. Joint Facilities	-	-	-
e. Deadheading, Taxi and Hotel	-	-	-
f. Overhead Movement	-	-	-
g. Freight Car Costs (o/t Return on Freight Cars)	15	10	10
h. Return on Value - Locomotives	20,955	20,955	20,955
i. Return on Value - Freight Cars	-	-	-
j. Revenue Taxes	-	-	-
k. Property Taxes	-	-	-
6. Total Off-Branch Costs (Lines 6a and 6b)	\$ 371,391	\$ 254,354	\$ 262,550
a. Off-Branch Costs (o/t Return on Freight Cars)	371,391	254,354	262,550
b. Return on Value - Freight Cars	-	-	-
7. Total Avoidable Costs (Lines 5 and 6)	\$ 525,887	\$ 399,335	\$ 410,382
Subsidization Costs			
8. Rehabilitation	xxxx	xxxx	700,000
9. Administration Costs	xxxx	xxxx	-
10. Casualty Reserve Account	xxxx	xxxx	-
11. Total Subsidization Costs (Lines 8 thru 10)	xxxx	xxxx	\$ 700,000
Return on Value			
12. Valuation of Property (Lines 12a thru 12c)	xxxx	\$ 145,322	\$ 145,445
a. Working Capital	xxxx	4,710	4,833
b. Income Tax Consequences	xxxx	(99,751)	(99,751)
c. Net Liquidation Value	xxxx	240,363	240,363
13. Nominal Rate of Return	xxxx	17.5%	17.5%
14. Nominal Return on Value (Line 12 * Line 13)	xxxx	25,431	25,453
15. Holding Gain (Loss)	xxxx	10,576	10,576
16. Total Return on Value (Line 14 less Line 15)	xxxx	\$ 14,855	\$ 14,877
17. Avoidable Loss from Operations (Line 7 less Line 4)	\$ 9,940	\$ (23,047)	\$ (19,640)
18. Estimated Forecast Year Loss from Operations (Lines 7 and 16 less Line 4)		\$ (8,192)	
19. Estimated Subsidy Year Loss from Operations (Lines 7, 11 and 16 less Line 4)			\$ 695,237

CSX Transportation, Inc. – Abandonment
Line Segment: Englewood - Athens, TN (Athens Branch)

Notes to Exhibit 1:

	Carloads	Base Year carloads reflect Year 2007, the best data of record, ending within six months of the issuance of the embargo. Traffic for Forecast Year and Subsidy Year periods allow for system-wide decline in pulpwood and log (PA) shipments since 2007; all other carload traffic is assumed to be the same as the Base Year.
Line 1	Freight Revenues	Base Year = total CSXT waybill revenues; Forecast Year and Subsidy Year reflect Base Year revenues, adjusted for PA traffic, with subsequent and potential increases since 2007.
Line 5	Avoidable On-branch Costs	Costs for Base Year (Year 2007) are developed from year 2007 unit costs. Forecast Year and Subsidy Year periods reflect cost indexing adjustments.
Line 5a	Maintenance of Way & Structures	For all periods, the maintenance expenses are estimated at \$5000 per mile per year (a distance of apx 6.4 miles).
Lines 5g & 5i	On-branch Car Costs	Standard on-branch car cost calculation using year 2007 unit costs, indexed to the Forecast Year and Subsidy Year periods.
Line 6	Off-branch Costs	CSXT 2007 URCS, indexed to the Forecast Year and Subsidy Year periods.
Line 12	Valuation of Property	The net liquidation value is based on average land value of \$21,800 per mile, assuming 6.4 miles (\$139,520) and estimated net salvage value of track (\$100,843). Income tax consequences are calculated at 37% (35% Fed + 6.5% TN) of land and track values.

AFFIDAVIT

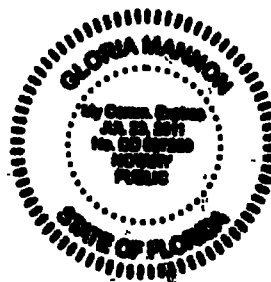
STATE OF FLORIDA)
)
DUVAL COUNTY)

ELLEN M. PRESLAR, being duly sworn, deposes and says that she has personal knowledge of Subsections (d)(1), (d)(2), and (d)(3) of the foregoing Application, knows the contents thereof, and the same is true as stated.

Ellen M. Preslar
ELLEN M. PRESLAR

Subscribed and sworn to before me,
a Notary Public in and for the
State and County above named,
this 23 day of April, 2009.

Gloria Mannon
Notary Public
My Commission Expires JUL 23, 2011



**EXHIBIT G—VERIFIED STATEMENT OF RICHARD J.
SPATAFORE**

**VERIFIED STATEMENT OF
RICHARD J. SPATAFORE**

My name is Richard J. Spatafore, and I am currently employed as Division Engineer, Appalachian Division, for CSX Transportation, Inc. ("CSXT"), 229 Nolichucky Avenue, Erwin, TN, 37650. My duties consist of programming and oversight of maintenance for all track structure on the Appalachian Division, including determination of materials and resources necessary to maintain all infrastructure to established FRA standards and management of approximately four hundred engineering employees.

The purpose of this statement is to describe the present condition of the Athens Branch (the "Line") and provide an estimate for rehabilitation of the segment to return it to FRA Class 1 operating standards.

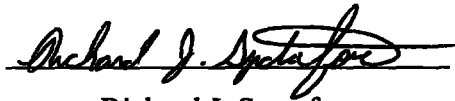
The Line was embargoed on June 27, 2008 because the track had become too unsafe for operations absent significant repairs. In July 2008, I personally inspected the Line. The tie condition had deteriorated beyond excepted levels to maintain rail traffic.

In February 2009, I again inspected the Line to determine the requirements for returning the Line to operation. The rehab estimate, totally approximately \$700,000, is provided as an attachment to this statement. This work will be required prior to lifting the embargo and allowing carload traffic to move over the Line.

VERIFICATION

I, Richard J. Spatafore, verify under penalty of perjury under the laws of the United States that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this Verified Statement.

Executed on April 21, 2009.



Richard J. Spatafore

Rehabilitation needed to end embargo on Athens Branch:

Ties (installed)

Mileposts		End	# Ties	@ \$60/tie
Prefix	Begin			
OKW	327	328	1,108	66,480
OKW	328	329	1,222	73,320
OKW	329	330	1,167	70,020
OKW	330	331	1,265	75,900
OKW	331	332	1,344	80,640
OKW	332	333	1,099	65,940
				\$ 432,300

Switch Ties (installed)

	# Ties	@ \$61/tie
Three (3) Switches	106	\$ 6,466

Road Crossing Renewals

	Footage	@ \$450/ft
Nine (9) Road Crossings	235	\$ 105,750

Bolt Machine

	Miles	@ \$3K/mile*
Run over entire line (jointed rail)	6	\$ 18,000

* cost will range from \$2,800 to \$3,200 per mile

Other Work

Brush Cutting	\$ 42,000
Spot Surfacing	\$ 51,000
Ditching	\$ 47,000

Total Cost of Rehabilitation

\$ 702,516

EXHIBIT H-NEWSPAPER ARTICLE

The DailyPostAthenian.com

McMinn and Meigs counties' source for news and information

Friday, April 24, 2009

Rail traffic could yield to foot and bicycle traffic once CSX Transportation abandons the Athens Branch as local officials begin discussing the possibility of a new greenway between Englewood and Athens.

CSX is abandoning the line from Zion Hill Road in Englewood to around the Knox Park area along State Highway 307 in Athens. Both communities, as well as McMinn County, are interested in the possibility of turning the tracks into a trail.

The 6.4 miles of winding track flow gently through low, rolling farmland and tree-lined hills, passing over creeks and streams.

While the land around the rail line is picturesque, the line itself is beginning to show signs of fatigue.

"Most of the rails and many of the cross-ties are in need of replacement," said McMinn County Planner Russell Thress. "It would require about \$750,000 to repair, but the line currently generates so little revenue that repairing it would be cost-prohibitive for CSX."

CSX plans to file its abandonment plan with the U.S. Surface Transportation Board and railroad officials expect the STB to grant their request around May 1.

Thress said after that, there's a two-week period in which another entity can take over the line, and it goes in a five-part sequence.

"First, it could be used for continued freight use, or it could be taken over by a short-line railroad for the same use - so far, no other railroads have agreed to take it," said Thress. "After that, it could then be optioned for some other form of public transportation, such as a state road. If that's not chosen, it can be used as a greenway. If it doesn't become a greenway, then it would revert back to the private owners along the line."

Thress said CSX "doesn't give away" rail lines.

"Any entity wanting it - including the county - would have to buy the right-of-way, which the railroad owns," he said. "They also own some of the property it's on outright, while other parts of it are through permanent easements."

While CSX is appraising the corridor's value, Thress said the county is already looking at grants to fund the greenway.

McMinn County Mayor John Gentry spoke recently with U.S. Rep. John J. Duncan Jr. (R-Knoxville) about the possibility of funding the greenway acquisition through this year's transportation bill. He added the county is looking at state parks and recreation funding and

will likely look as well to private donations.

"These are definitely challenging times economically," said Gentry. "Still, if we do something of this magnitude, the upside is tremendous.

"In other communities, greenways have enhanced the quality of life for residents by adding a new form of recreation and exercise, and they offer a great social benefit by bringing communities together," he added. "It's exciting. I grew up in that area and it's a beautiful part of the county."

A greenway would also offer an economic boost to Athens, Englewood and the county.

"Perhaps people will eat in those towns, do some shopping, or at least stop in a convenience store for some refreshments," said Gentry. "As for people who own property along the greenway, property values increase along greenways as people find them desirable and want to live by them."

If the railroad reverts back to the adjacent property owners, Gentry said the corridor could be lost forever. If the county maintains it as a trail, it could be bought back for rail usage if the need ever returned.

Gentry said it's still early in the game and the ball's "in CSX's hands right now." Once more is known, a meeting between Athens, Englewood and McMinn County governments will likely be called. Issues such as maintenance and safety, among others, will also need to be studied.

Still, Gentry said "early on, the good far outweighs the bad."

"This is definitely a great opportunity for the entire county," said Gentry. "I hate to see the railroad abandon the line for lack of use, but this could be the silver lining."

Gentry said he not only welcomes but encourages public comment on the greenway proposal.

"We need to know if this is something our citizens could support," said Gentry.

Athens resident Charlie Clark has already shown his support and excitement for the prospect by walking the full length of the Athens Branch.

"I found it to be a very unspoiled rural corridor," said Clark. "It's a wide corridor, which alternates between pasture and wooded. In Englewood, it opens up to views of the mountains, and on the way it crosses two creeks, as well as a road overpass."

The great thing about the corridor, Clark said, is that it's "dead level, with long, slow curves."

"It's an easy trail," he said. "It would be good for young and old alike -- particularly young people, because it's off the road, making it much safer."

Overall, Clark said he felt "it's a golden opportunity for healthy family recreation."

*

EXHIBIT I-CERTIFICATE OF SERVICE

CERTIFICATE OF SERVICE

Pursuant to 49 C.F.R. §1152.60(d), the undersigned hereby certifies that the Petition for Exemption in Docket No. AB-55 (Sub-No. 694X), *CSX Transportation, Inc.–Abandonment Exemption–in McMinn County, TN* was mailed via first class mail, postage prepaid, on May 1, 2009, to the following parties:

State Public Service Commission

Tennessee Department of Transportation
Office of Freight & Rail
Suite 1800 James K. Polk Building
Nashville, TN 37243

Military Traffic Management Command

Headquarters
Military Surface Deployment and Distribution Command
Transportation Engineering Agency
ATTN: SDTE-SA (Railroads for National Defense)
709 Ward Drive, Building 1990
Scott AFB, IL 62225-5357

National Park Service

Mr. Charlie Stockman
RTCA Program
National Park Service
1849 C St., NW (Org Code 2235)
Washington, DC 20240

National Park Service

U.S. Department of Interior
National Park Service
Land Resources Division
1849 C St., NW
Washington, DC 20240

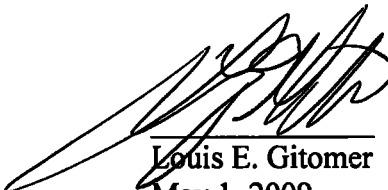
U.S. Department of Agriculture

U.S. Department of Agriculture
Chief of the Forest Service
4th Floor N.W., Auditors' Building
14th Street and Independence Avenue, S.W.
Washington, DC 20250

Mr. Scott Watson
Mayfield Dairy
806 East Madison Avenue
Athens, TN 37303

Mr. Mark Seaton
Seaton Iron & Metal
132 CR 370
Athens, TN 37303

Mr. Murl Hampton
Timberland Harvesters
PO Box 1489
Athens, TN 37371

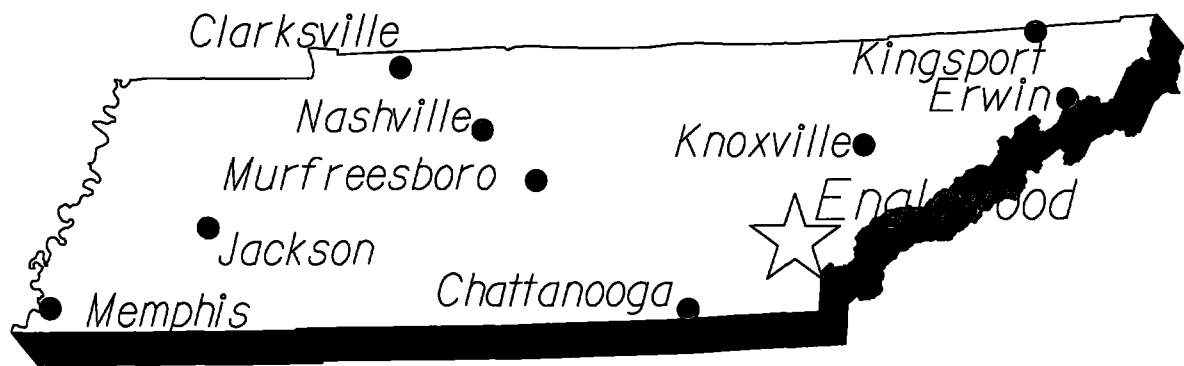


Louis E. Gitomer
May 1, 2009

EXHIBIT J—COLOR EXHIBITS



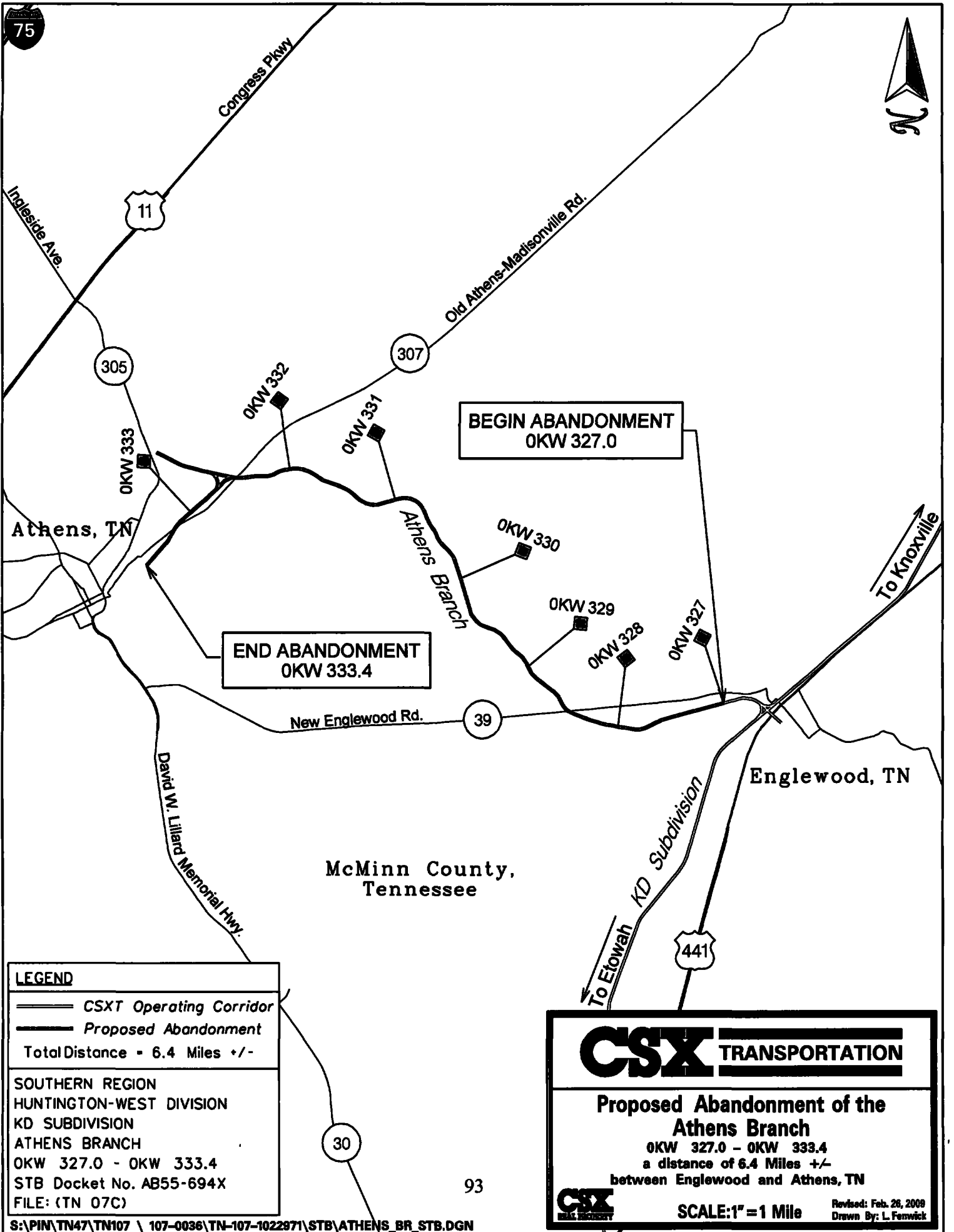
Englewood, TN



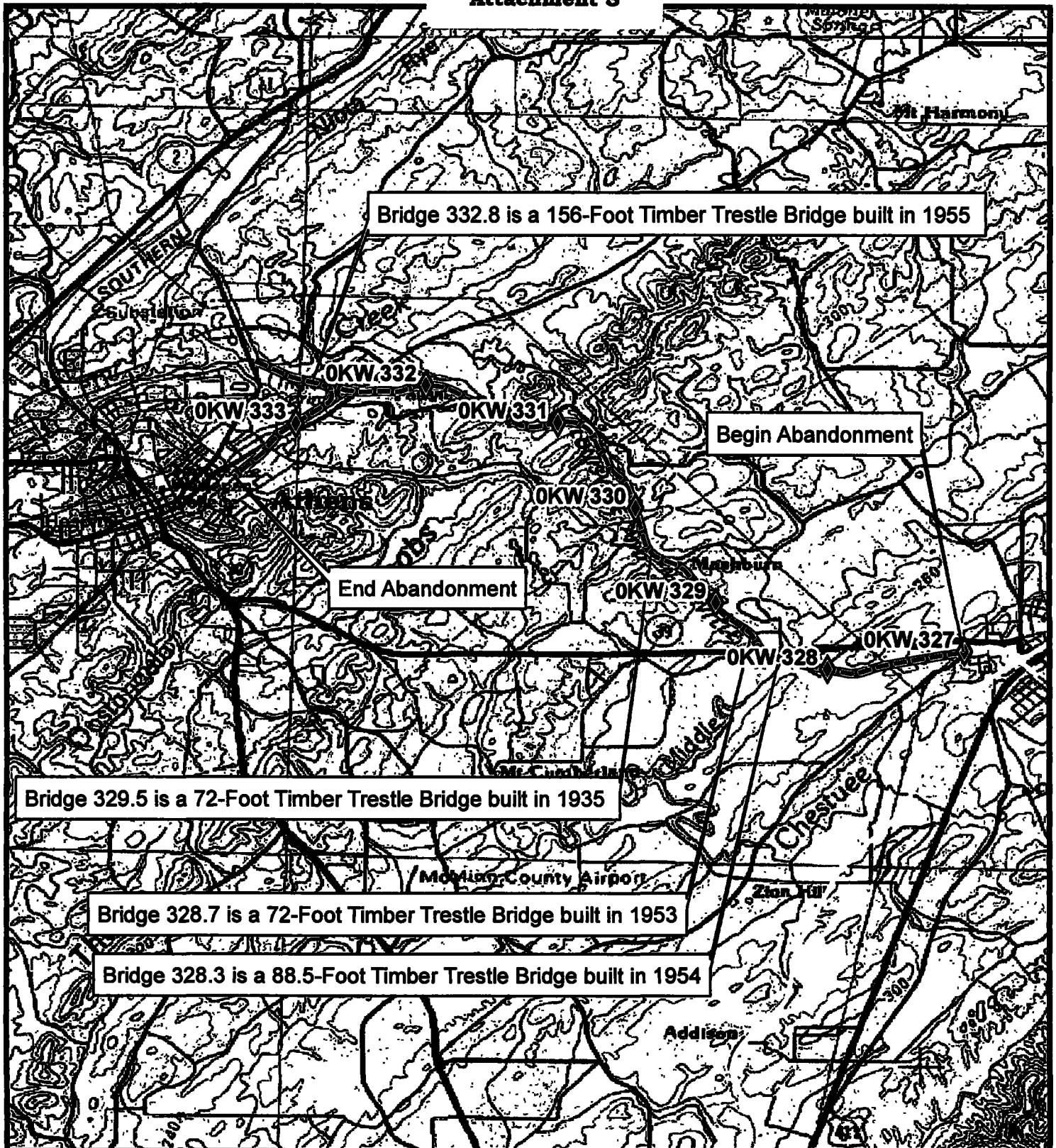
AREA MAP

- Proposed Abandonment -
Athens Branch

Milepost OKW 327.0 to OKW 333.4 - 6.4 miles
Between Englewood and Athens, McMinn County, TN



Attachment 3



Legend

 SUBJECT
CSX

Approximate Latitude and Longitude at OKW 327.0 - Athens Branch -
N35° 25' 32.77", W84° 29' 39.88"
Topo: USGS 100k CLEVELAND Quad (USGS_QD_ID: 35084-A1)
Projection is: GCS_WGS_1984 - UTM Zone 16 (NAD83)

CSX
REAL PROPERTY
GIS MAPPING SERVICES
Drawn By: L. Fenwick
Rev. Date: Feb. 26, 2009

Attachment 4



CSXT Bridge 328.3



**95
CSXT Bridge 328.3**

Attachment 5



CSXT Bridge 328.3



CSXT Bridge 328.3

Attachment 6



CSXT Bridge 328.3

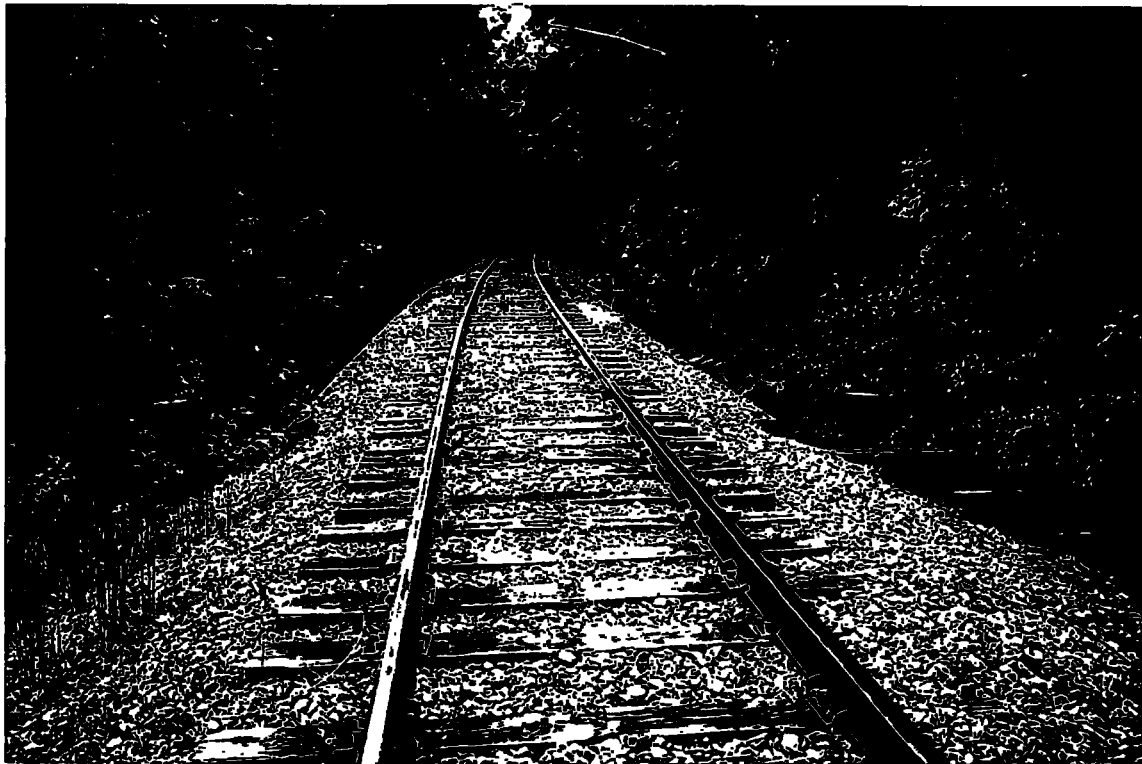


CSXT Bridge 328.7

Attachment 7



CSXT Bridge 328.3



CSXT Bridge 328.7

Attachment 8

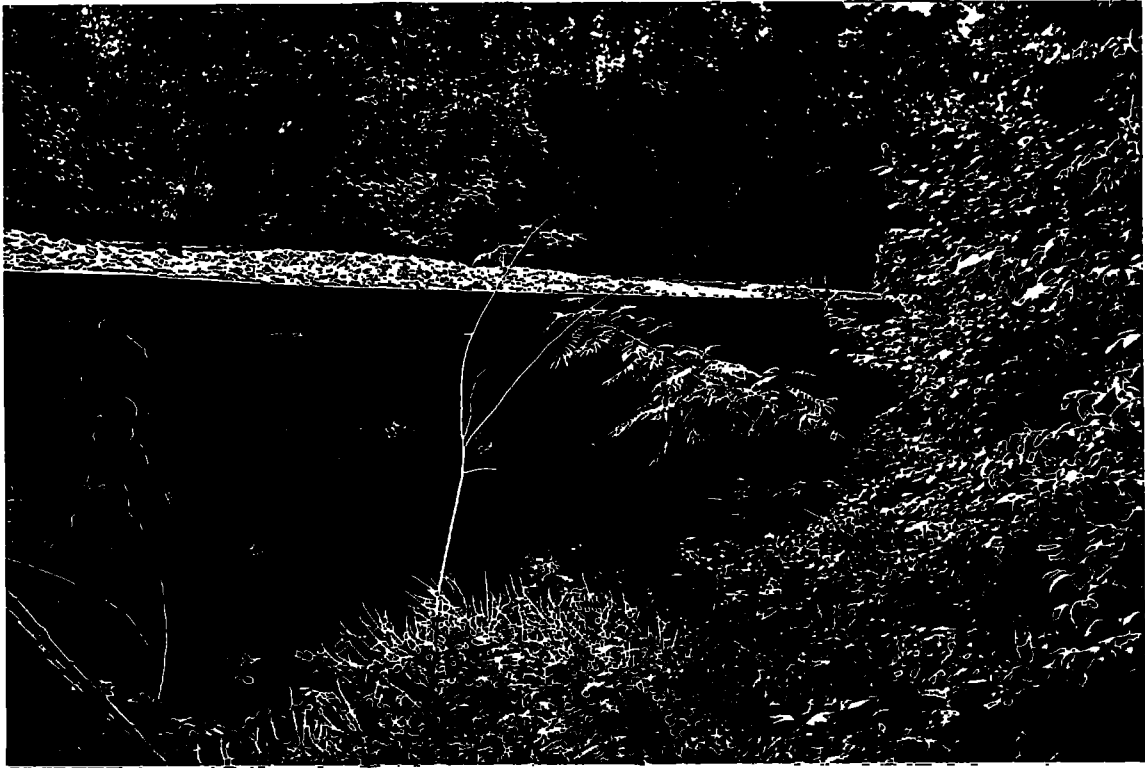


CSXT Bridge 328.7



CSXT Bridge 328.7

Attachment 9



CSXT Bridge 328.7



CSXT Bridge 328.7

Attachment 10



CSXT Bridge 329.5



CSXT Bridge 329.5

Attachment 11

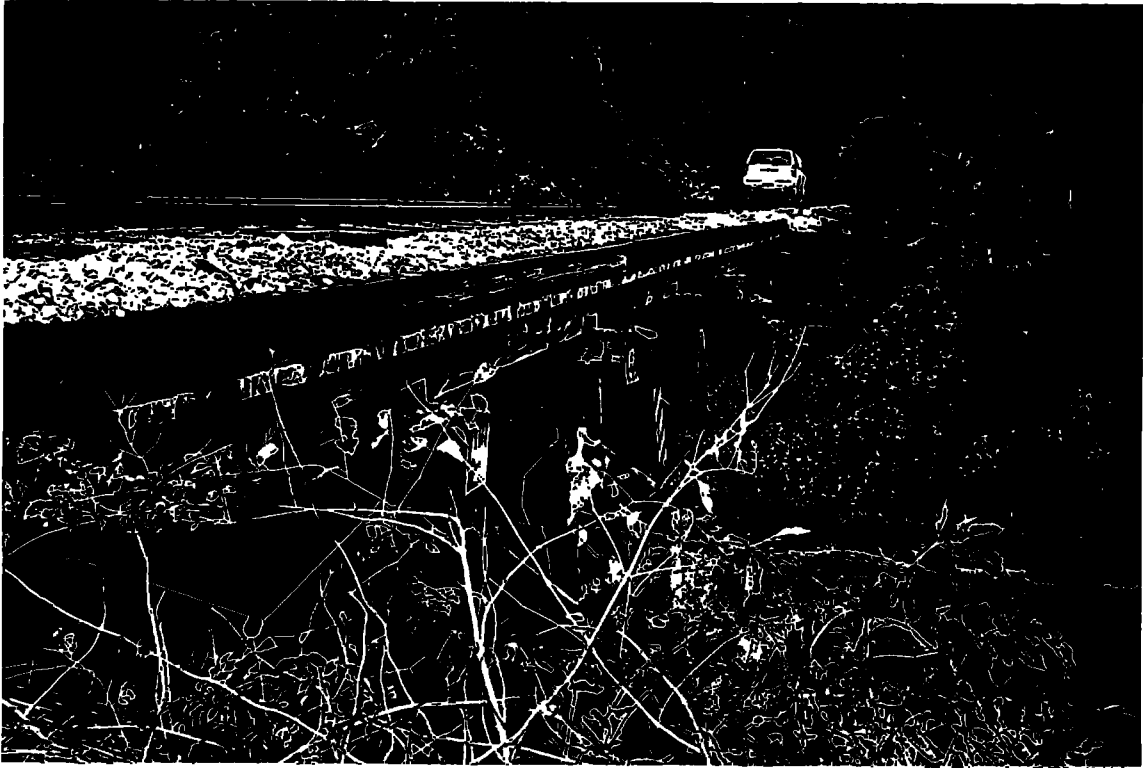


CSXT Bridge 329.5



CSXT Bridge 329.5

Attachment 12

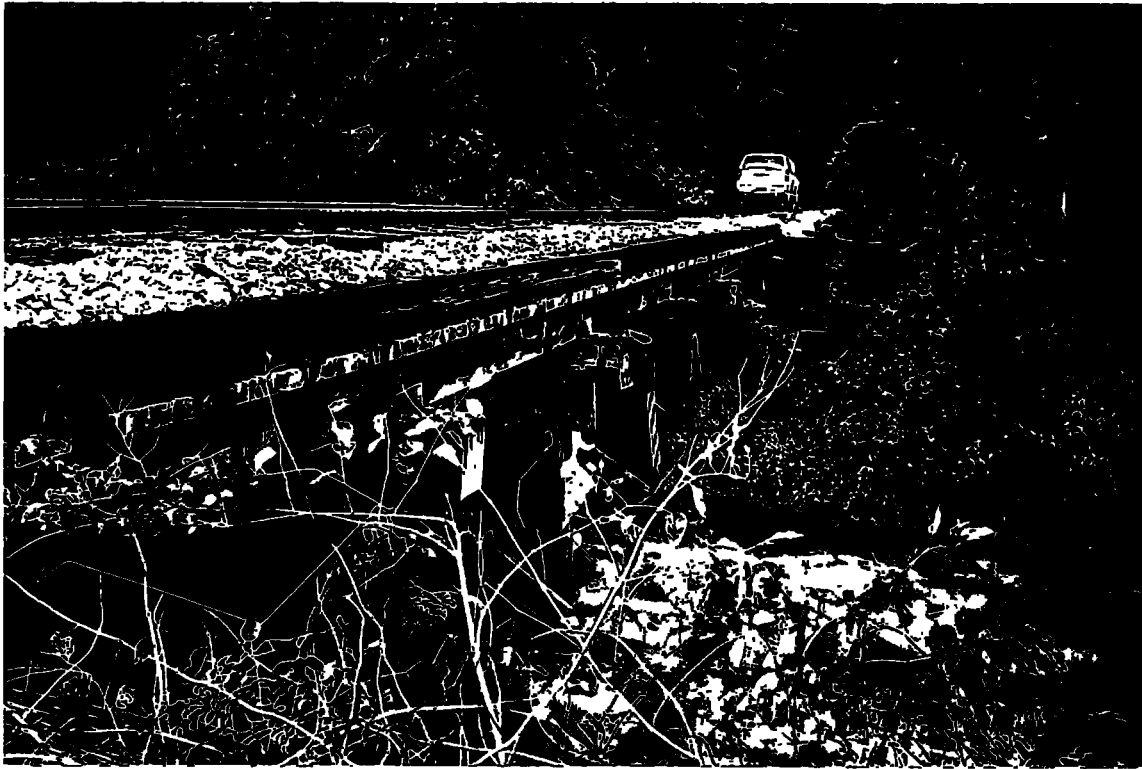


CSXT Bridge 329.5



CSXT Bridge 329.5

Attachment 13

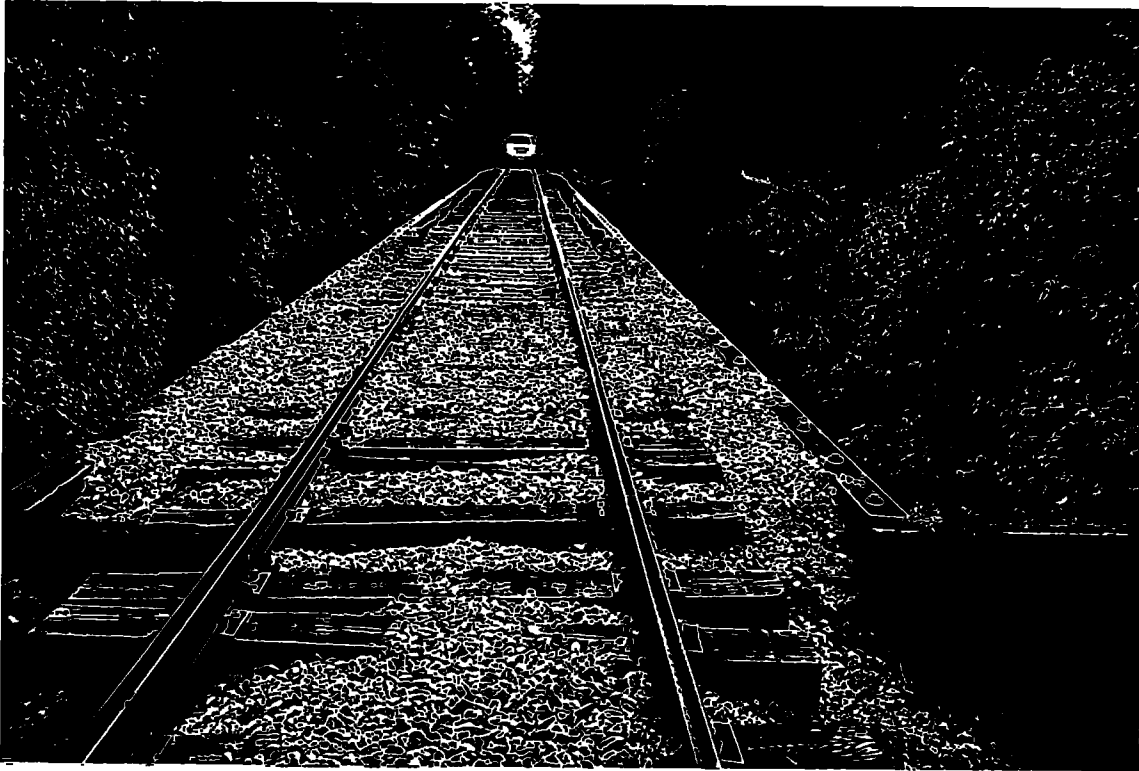


CSXT Bridge 329.5



CSXT Bridge 329.5

Attachment 14

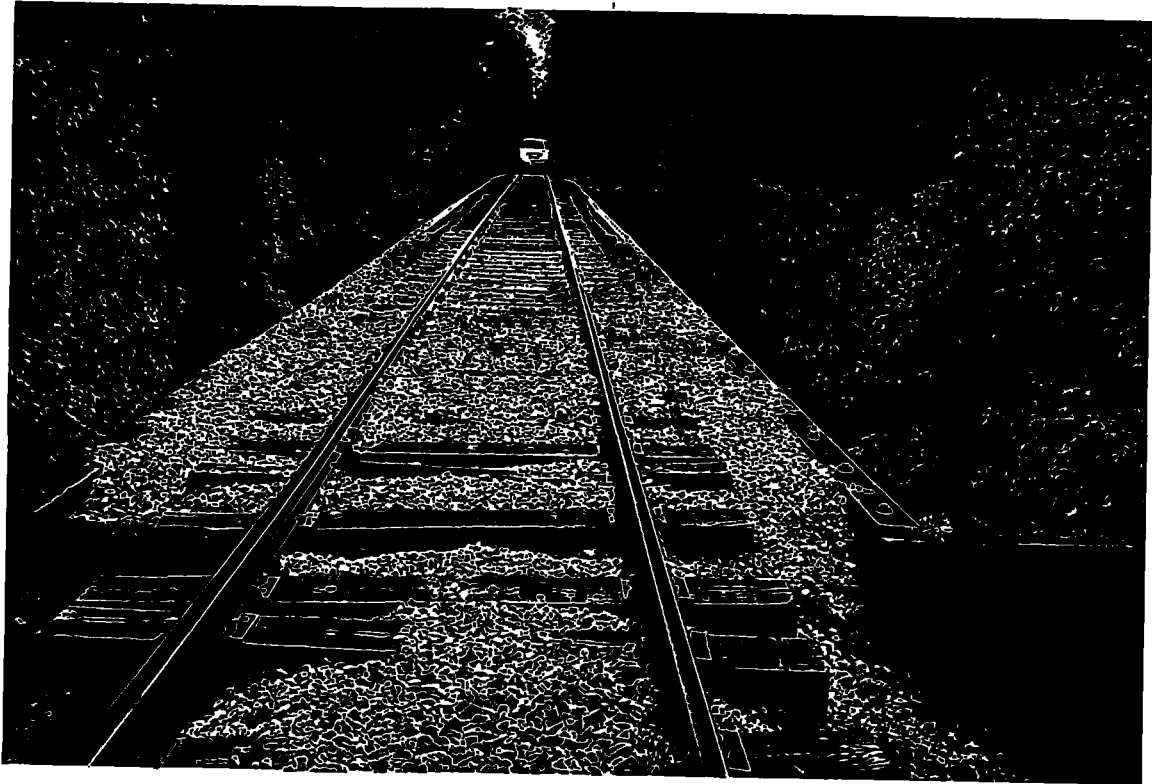


CSXT Bridge 332.8

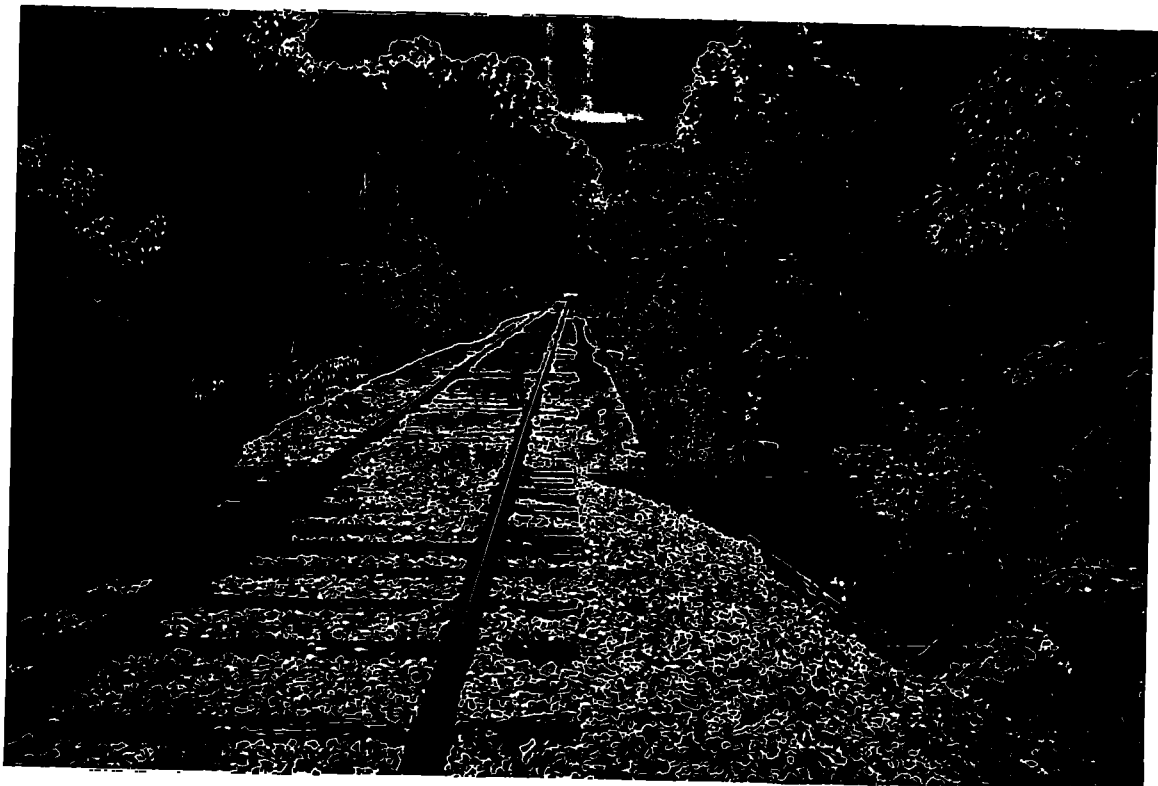


CSXT Bridge 332.8

Attachment 15



CSXT Bridge 332.8



CSXT Bridge 332.8

Attachment 16

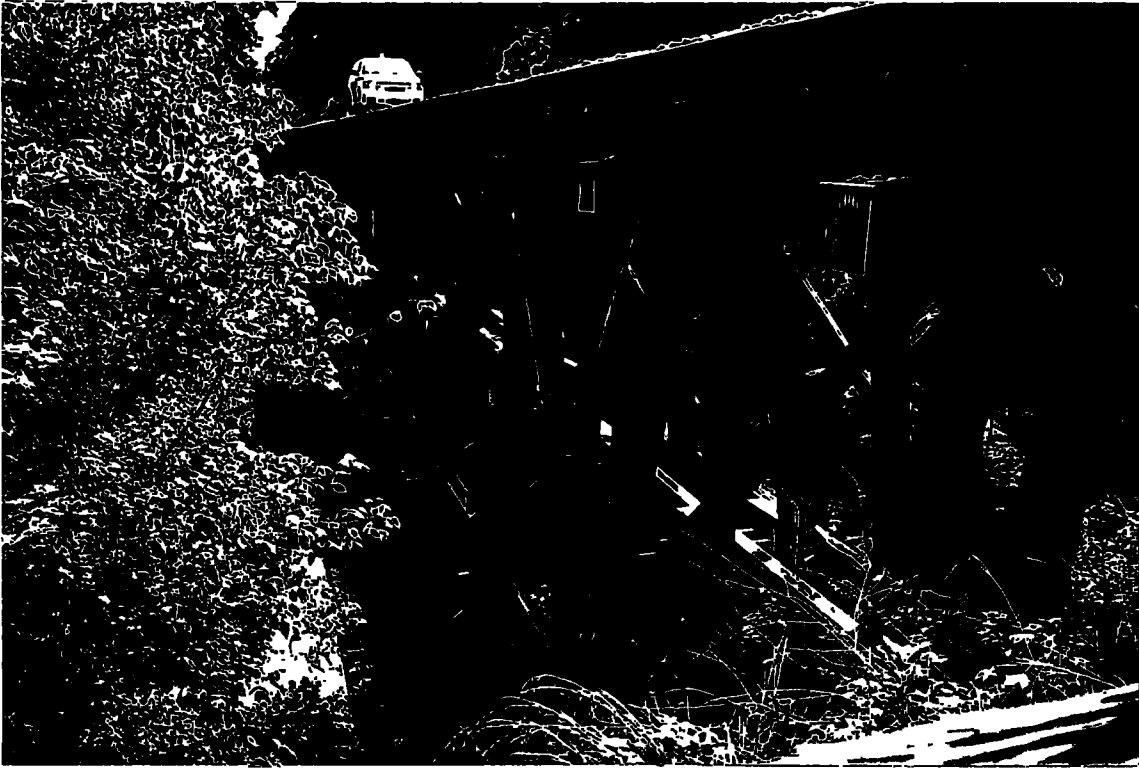


CSXT Bridge 332.8



CSXT Bridge 332.8

Attachment 17



CSXT Bridge 332.8



CSXT Bridge 332.8